

# **Governments Classification and Research Guide**

**Program Evaluation Branch  
Governments Division  
Version 1  
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**This manual is intended as an instruction manual for the new employee on the classification staff and as a reference tool for experienced classification analysts. The manual also is available to all Governments Division personnel as a reference tool.**

## How to Use This Manual

Welcome to the research and classification staff! You will find this manual to be an invaluable orientation and research tool. You are not expected to read this entire manual at once. Here is the recommended approach to tackling this manual:

1. Read Chapter 1, Overview, and the introductions to chapters 2, Government Defined; 3, Directory Research; 4, Legislative Research; 5, Classification Rulings; 6, Volume 1 Individual State Descriptions; and 10, The Governments Directory. You will now have the overall picture of our work and the most essential concepts.
2. Read all of Chapter 2, Government Defined.
3. Scan Chapter 3, Directory Research, but read the entire section on “Handling a New Entity.”
4. Scan Chapter 4, Legislative Research.
5. Read all of Chapter 5, Classification Rulings.
6. Scan chapters 6, Volume 1 Individual State Descriptions, and 7, Organization of the Files.
7. Read all of Chapter 8, The Governments Directory.
8. Scan chapters 9, Governments Division Surveys as Related to Research and Classification Work, and 10, Data User Requests.
9. Scan the appendixes to be aware of the information contained in them except examine your states in the appendix on state characteristics affecting classification.

You are now ready to begin work. Refer to the manual as you work. When you begin directory research, read chapter 3 more carefully. When you begin legislative research or begin to update Volume 1, study chapters 4 and 6, respectively.

After you have been in the office a while and are more orientated, you will want to carefully reread the entire manual, particularly Chapter 5, Classification Rulings. You also will want to read the appendix giving examples of classification.



# Chapter 1. Overview

## Introduction

The division objective is to measure government activity. The subject branches measure government activity by collecting finance and employment statistics for state and local governments and their dependent agencies. Local governments include counties, municipalities, towns or townships, special districts, and school districts.

Before the division can measure government activity, the classification analysts must define what a government is and create a list of governments. The classification analysts' objectives are to perpetuate a government classification system and maintain a directory of governments. The analysts classify entities found through a variety of research activities. The analysts add entities considered to be governments to the governments directory.

All division work depends on the governments directory. The research the classification analysts conduct is the backbone of the Governments Division's censuses and surveys.<sup>1</sup>

The analysts also use their research results to update Volume 1 of the publication, *Census of Governments: Government Organization*. Volume 1 contains government counts by state, type, and other characteristics. It also contains descriptions of the local government structure for each state in Volume 1's Individual State Descriptions. The division uses Volume 1 as a reference tool.

Research consists of directory research and legislative research. Research is instigated by either research requests or preparation for the census. Research requests come from survey staff and data users. Preparation for the census takes place once every 5 years when we conduct an intensive round of research to update the governments directory and to update and issue Volume 1. We also do annual legislative research to stay current. Classification rulings are the documented results of research. All research and classification rulings funnel into the governments directory and Volume 1.

## The Process

### Directory Research

The intensive directory update prior to the census begins with directory research, starting the year before the census year. Directory research is finding new entities and updating the governments directory. The classification analysts find entities through these activities conducted once every

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<sup>1</sup>The Census Bureau sends a census once every five years to all members of a directory. The Census Bureau sends a survey annually, quarterly, or monthly to a sample of the same directory.

five years: the G-24 survey of counties for special districts, a review of state and national listings of governments, a review of Internet sources, and the census of governments directory survey. In addition, we conduct an annual review of Mergent's Municipal and Government Manual.

The directory research generates legislative research and classification rulings and feeds into the governments directory and Volume 1. Sometimes the analysts find an entity or class of entities on a list or from a survey response that are the result of new legislation. The analysts conduct legislative research and issue a classification ruling. All of the entities that are found and added to the governments directory will be counted in Volume 1.

### **Legislative Research**

Legislative research is the next stage in the 5-year update. The analysts conduct a thorough review of state legal codes in the year before the census year and during the census year. The analysts also review the session laws annually. Legislative research finds changes affecting existing entities and new laws authorizing entities. The new laws require classification rulings. One then conducts directory research to find these new entities and add them to the governments directory. The analysts summarize the results of the legislative research in Volume 1 as descriptions of governments and their dependent agencies for each state.

### **Classification**

Classification rulings are primarily used to document the nature of new legislation (authorizing entities) found during legislative research, directory research, or censuses and surveys. Classification rulings also are used when an entity's or class of entities characteristics change and for certain other situations.

Classification determines if new types of entities are governments (versus private enterprise), dependent agencies, or departments of existing governments. The analysts compare the details of the state legal code authorizing the entity or class of entities to Governments Division standards that determine the nature of the entity or class of entities. The analysts document their decisions and the reasons behind the decisions in classification rulings.

The analysts use standards for identifying and classifying the various types of government entities. These standards are contained in the definition of a government: a government is an organized entity that, in addition to having governmental character, has sufficient discretion in the management of its own affairs to distinguish it as separate from the administrative structure of any other governmental unit. The analysts determine if an entity or class of entities possesses all three of the attributes reflected in the definition: existence as an organized entity, governmental character, and substantial autonomy. Entities possessing all three attributes are governments. Entities that have the first two attributes but lack the third are dependent agencies or departments.

County, municipal, and town or township governments are usually easy to recognize and classify. Special districts and school districts, however, can be difficult to classify because the legislative provisions for these governments are diverse. They consist of various authorities, commissions, boards, and other entities with varying degrees of governmental character and autonomy. As the needs of counties, cities, and towns have changed over the years, the laws creating special districts also have changed. The analysts must apply the classification system to deal with new types of entities.

## **Censuses and Surveys**

When the analysts complete the directory research and legislative research, the governments directory is ready for the division to use for the census and the subsequent annual surveys. The survey branches will use it as a name and address file to mail questionnaires to governments. They also will use it as a reference file to supply information needed to process data. For example, they might want to know the population of a city to determine if its reported employment is reasonable. Another use is sample selection.

Just as the classification work feeds into the survey work, the survey work feeds into the classification work. Survey respondents report status changes for entities such as dissolutions, name changes, or mergers. The classification analysts incorporate these changes into the directory.

After each census, the analysts create a frozen copy of the directory. This copy is the final version and the official directory for the census. The division will use this directory as a source of statistics on governments for publications. The classification analysts will use this copy for the counts in Volume 1.

## **Volume 1**

Volume 1 is the classification staff's main product. Upon completion of the 5-year update of directory research and legislative research, the analysts update Volume 1. The analysts incorporate revisions to the legal codes for existing entities into the Volume 1 descriptions. The analysts add descriptions to Volume 1 for new legislation (after classification rulings are issued).

The analysts send Volume 1 to state reviewers for comment prior to publication in the census year. The analysts follow up on their comments and finalize the descriptions. The analysts incorporate the census counts into Volume 1 in the winter of the census year. The final Volume 1 is released in the spring following the census year.

## Summary

The research process has a 5-year cycle tied to the census cycle. The work, however, is not linear in nature. For example, censuses and surveys will turn up new classes of entities. The analysts may need to conduct legislative research, classification, and directory research for these entities.

All classification work funnels into and is accounted for in Volume 1. Every government in the governments directory must be listed (either individually or in a group) and counted in Volume 1.

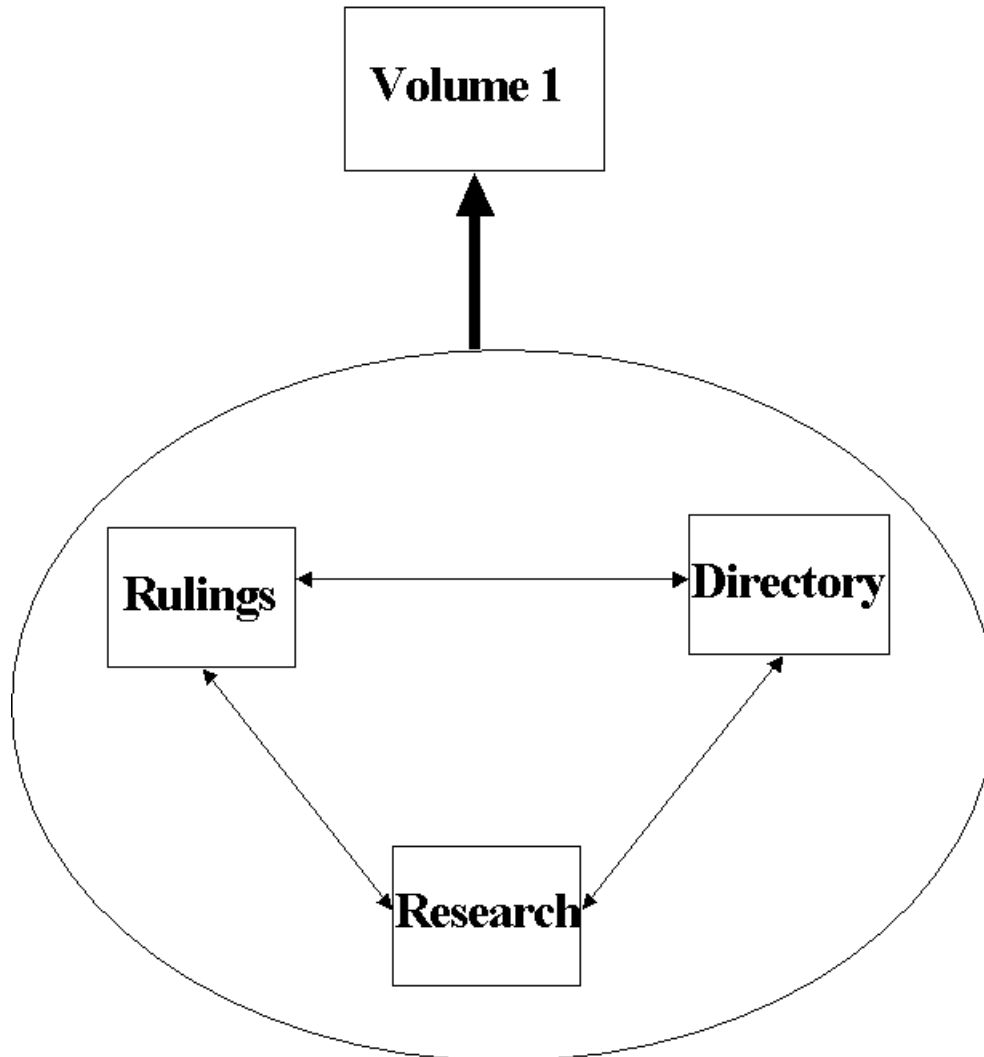
<b>Schedule</b>	
Activity	Completion Date
Directory research - Mergent's Municipal and Government Manual	annual
Legislative research - state session laws	annual
Directory research - G-24	in the year before the census year <sup>2</sup> before the mailout of the directory survey
Directory research - state and national sources	in the year before the census year
Directory research - Internet sources	in the year before the census year
Directory research - directory survey	in the year before the census year
Legislative research - state code review	in the year before the census year and during the census year before Volume 1 is sent out for review
Preliminary counts released	summer of the census year
Volume 1 state description reviewed by state officials	fall/winter of the census year
Volume 1 state descriptions finalized	spring following the census year
Incorporate census counts into Volume 1 state descriptions	spring following the census year
Final reports released	spring following the census year

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<sup>2</sup>Census years are those ending in two and seven.

## Project Interrelationships

We, the classification analysts, produce Volume 1, a description of governments and dependent agencies in the United States and counts of those governments. Classification rulings, the governments directory, and research feed into Volume 1. The three activities are interrelated.



The Governments Division's statistics on government activities provide information needed to compute the public sector component of the Gross Domestic Product. Our classifications as reflected in Volume 1 are also relied on for pay and leave decisions, grants, studies of government services, and other purposes. Thus, it is essential that we have an accurate classification system and a complete and unduplicated list of governments.

We support these classifications with classification rulings (one of the boxes in our diagram). The rulings formally document the classification decisions we make. Procedures must be followed in the review, approval, and issuance of a ruling.

This is the definition of a classification ruling: the results of an analysis of the authorizing legislation for an entity or class of entities to determine whether the entity or class of entities is a special district or a dependent agency of another government. Only actions and analysis that help determine the governmental nature of an entity or class of entities are classification rulings.

We arrive at the rulings by doing research (another box in our diagram). We conduct two types of research - legislative and directory. For legislative research, we find new laws authorizing governmental entities and we classify these using a classification worksheet (and then issue a classification ruling). We add the descriptions to Volume 1.

Sometimes we first find a new entity or class of entity and then find the law and do the classification. This often occurs during directory research. Directory research is seeking lists of governmental entities so we can update the governments directory. We look at Volume 1 and try to find lists of entities for each class of entity.

We add new entities found through directory research to the governments directory (the third box in our diagram). The governments directory is a list of all of the governments and some of the dependent agencies in the United States. Only active entities are added. We do not add an entity that was created by law but does not yet have a board.

Before adding an entity to the governments directory, you must know where it fits in Volume 1. If Volume 1 does not describe the entity (either under a general law or a special act), then you conduct legislative research for the entity and issue a classification ruling. Then, you add a description of the new entity or class of entity to Volume 1 for the next publication.

Hopefully, you can see how the three activities - rulings, directory updates, and research - are interrelated. It is somewhat complicated. To keep yourself straight, keep this in mind:

**All of our work feeds into Volume 1.**

**Everything in Volume 1 must be supported by a ruling.**

**Everything in the directory must be covered by Volume 1.**

## Documentation

Good documentation is crucial to being able to support Volume 1. We keep our rulings and research notes in electronic and paper format.

You will find a mixture of documents in the historic (pre-2002 census) files. The system we use developed over the years. Both bona fide classification decisions and routine maintenance notes are kept in the binders labeled as classification rulings. Do not let this confuse you. Keep the definition of a ruling in mind as you write rulings. If the action does not fit the definition of a ruling, then it is maintenance. For maintenance items, careful notes in the directory are all the documentation usually needed. You also will find that we do not have rulings for most of the information in Volume 1. You will, however, find legislative research worksheets in the legislative research folders. In the past, these were considered rulings.

To provide good documentation that analysts will be able to rely on for decades to come:

For directory research, we keep folders with the lists worked. Leave notes on your printed lists and in the governments directory. For example, if you do not add an entity from a list because you called and learned that the board was the county commissioners ex officio, write that on the list. Then, the next analyst will have this information and will not have to repeat the research. Another example: if you add an entity to the directory because you called and learned that the board was elected, place a note stating this in the government directory's notes field for the entity. Then, the next analyst to work the state will not have to verify the entities you added.

For legislative research, most of your research will result in a classification ruling and the worksheet you complete and special acts you find will be attached to the ruling. These are examples of information you will want to file in the legislative research folders:

- additional information supporting a ruling
- notes on additions or changes to the next publication of Vol
- notes on future repeals
- notes on possible future legislation creating an entity or class of entities
- worksheets for entities that it is decided not to issue a ruling on, such as (possibly) private entities, taxing districts, or planning commissions
- reminders to check to see if an entity or any of a class of entities has become active

- additional information on a maintenance action that was too long to put in the notes section for an entity or class of entities in the directory (in the notes section, say that there is information in the legislative research folders and note the census year)

The legislative research folders are now broken out by census. As you complete a census (publish Volume 1) and have information for the next census (the next Volume 1), you will place the notes applying to the next census in the folder for the next census. If you are starting a state mid-census, you will probably find a thick folder for that census and will need to check that everything has been completed. If you are starting a state at the beginning of a census, you will probably find just a few notes.

For documenting your classification decisions, complete a classification ruling. For decisions resulting from legislative research, also complete a classification worksheet. This will document the essential content of the law and your analysis. You usually will then only need a simple statement describing your decision because you will attach the worksheet to the ruling. You may want to highlight some important fact in a ruling. Also attach copies of special acts because they do not always remain available in the state code. You do not need to attach copies of general laws because they will remain in the state code until repealed. Some classification rulings will not require classification worksheets; for example, a decision to change the function code for a class of entities.

Keep in mind that future analysts will need to understand your decision, so be careful to be clear and thorough in your documentation.



## **Chapter 2. Government Defined**

### **Introduction**

There are many types of organizations in our nation: corporations, foundations, educational institutions, publicly supported organizations, districts, authorities, counties, cities, and more. All must have some sort of legal existence such as authorization by state constitutions, state code, or special acts. Our job is to decide which are governmental.

We base our decisions on the standards contained in the Governments Division's definition of a government. We compare the legally authorized characteristics of an entity or class of entities to these standards and determine if it is a government, a dependent agency, or out of scope.

In this chapter, we discuss the types, attributes, and functions of governments. We pay special attention to a type of government called a special district. Special districts are independent governments known by a variety of titles including districts, authorities, boards, and commissions. Special districts are the main focus of our classification efforts.

### **Types of Government**

#### **The Four Basic Government Activities**

Governments Division collects data for all government activities in the 50 states and the District of Columbia.

General government: state and local

This includes all activities not defined in the utilities, liquor stores, or insurance trusts sectors. Examples: airports, fire protection, police protection, hospitals, industrial development, irrigation, and solid waste management.

Utilities

This includes water supply, electric utility, gas supply, and public mass transit.

Liquor stores

These must be owned and operated by a government to be counted in Governments Division statistics.

## Insurance trust systems

These are public employees' retirement, unemployment compensation, workers' compensation, and so forth that are administered by a government.

Most of these activities also are conducted privately. To be governmental, the activities must meet our standards for government classification as contained in the definition of a government.

## **The Five Basic Types of Local Governments**

Governmental activities are conducted through a complex structure made up of numerous public bodies and agencies. In addition to the 50 state governments, the Governments Division collects data for the five basic types of local governments: county, municipalities, towns or townships, special districts, and school districts. Counties, municipalities, and towns or townships are general purpose governments. Special districts and school districts are special purpose governments created by state or general purpose local governments.

The following are brief definitions of the types of local governments. For complete descriptions, see Volume 1.

### County governments

These are organized local entities authorized in state constitutions and statutes. They are established to provide general government for a defined area. These include governments designated as boroughs in Alaska, parishes in Louisiana, and counties in other states.

### Municipalities

These are organized local entities authorized in state constitutions and statutes. They are established to provide general government for a defined area. These include governments designated as cities, villages, boroughs (except in Alaska), and towns (except in Minnesota, New York, Wisconsin, and the six New England states).

### Towns or townships

These are organized local entities authorized in state constitutions and statutes. They are established to provide general government for a defined area. Towns are found in Minnesota, New York, Wisconsin, and the six New England states: Connecticut, Rhode Island, Vermont, Massachusetts, Maine (including organized "plantations"), and New Hampshire (including organized "locations"). Townships are found in other states.

## School districts

These are organized local entities that directly provide public elementary, secondary, or higher education and have sufficient administrative and fiscal autonomy under state law to qualify as separate governments. These exclude dependent public school systems of county, municipal, township, or state governments.

## Special districts

These are organized local entities, other than the four categories listed above, that are authorized by state law to provide only one or a limited number of designated functions and have sufficient administrative and fiscal autonomy to qualify as separate governments. These entities are known by a variety of titles, including districts, authorities, boards, and commissions, as specified in the enabling state legislation.

County, municipal, and town or township governments are readily recognized and usually easy to classify. Municipal and town/township governments are distinguished primarily by the historical circumstances surrounding their incorporation.

Legislative provisions for school district and special district governments are diverse. The numerous single-function and multiple-function districts, authorities, commissions, boards, and other entities have varying degrees of governmental character and autonomy. States vary in the classes of entities they legislate. Also, entities created under the same state law may vary in their names or characteristics.

## **Dependent Agencies**

The Governments Division also collects data for all of a government's dependent agencies. Governments Division defines a government as including the central government and its dependent agencies. The central government is referred to as the parent government.

Dependent agencies have certain governmental characteristics but are subject by law to control by the authorizing government. A board or commission handles operations. Financial records may be combined with or kept separately from the creating government's records. See Appendix A, the Governmental Accounting Standards Board's summary of their statement 14.

## **Indian Tribes**

Governments Division classifies federally recognized Indian tribes as federally dependent. Tribal activities, however, are out of scope in our measurement of government finances and employment. Governments Division does not classify or count state recognized and unrecognized tribes. In the legal sense, federally recognized tribes are dependent agencies of the federal government. This is supported by numerous court rulings.

Most tribes have a governmental structure that often resembles a municipality. A couple tribes in Maine have full municipal powers and may issue bonds, levy taxes, and operate schools.

## **Attributes of Governments**

### **Basic Attributes**

Governments Division identifies governments, lists them, and measures their activities. We must establish standards for identifying and classifying the various types of governmental entities before we can list and measure them. The basic standards are found in the Governments Division's definition of a government:

A government is an organized entity that, in addition to having governmental character, has sufficient discretion in the management of its own affairs to distinguish it as separate from the administrative structure of any other governmental unit.

To be identified as a government, an entity or class of entities must possess all three of the attributes reflected in the above definition:

- existence as an organized entity
- governmental character
- substantial autonomy

We examine the state legal codes that created the entity or class of entities for evidence of these attributes. See the chapter on classification rulings for details on classification standards. The following is a general discussion of the three attributes.

### **Existence as an Organized Entity**

Evidence of existence as an organized entity is provided by:

- the presence of some form of organization

- the possession of some corporate powers such as perpetual succession, the right to sue and be sued, have a name, make contracts, acquire and dispose of property, and the like
- active status

Designation of an entity or class of entities in law as "municipal corporations," "public corporations," or "bodies corporate and politic" indicates that such units are organized entities. On the other hand, some entities whose authorizing legislation does not include these key words denoting them as corporations do have sufficient powers to be recognized as governments.

We list only active governments in the governments directory. The mere right or authority to exist is not sufficient for addition to the directory. Also, when a government ceases to operate – that is, receives no revenue, conducts no activities, and has no officers at present – it is no longer listed as an active government. We do, however, list all authorized governments in Volume 1 regardless of whether they are active. If the entities do not come into existence within a reasonable time period, we delete their description.

### **Governmental Character**

The term "governmental character," as used in census statistics on governments, relates primarily to the method of selecting the officers or to provisions for public accountability or public authority rather than the functions or activities performed. Governmental character is indicated where one or more of the following criteria are met:

- the entity or class of entities has officers who are popularly elected, who are appointed by public officials, or who serve ex officio, **or**,
- the entity or class of entities has responsibility to the public as demonstrated by requirements for public reporting or for accessibility of records to public inspection, **or**,
- the entity or class of entities has the power to set taxes, power to issue debt paying interest exempt from federal taxation, or responsibility for performing a function essentially governmental in nature, that is, a function that could not be performed by a private entity (for example, courts or fire protection).

## Substantial Autonomy

This requirement is met when, subject to statutory limitations and any supervision of local governments by the state, an entity or class of entities has considerable fiscal **and** administrative independence.<sup>3</sup>

### Fiscal independence

This generally derives from the power of the entity to determine its budget without review and detailed modification by other state or local officials or governments, to determine taxes to be levied for its support, to fix and collect charges for its services or facilities, or to issue debt without review by another government.

### Administrative independence

Independence from the creating agency is shown by a governing body that is popularly elected or elected by benefitted citizens, a governing body composed of representatives from two or more state or local governments, or in the event the entity's governing body is appointed, functions that are essentially different from those of and are not subject to specification by the creating government.

Entities or classes of entities that lack either fiscal or administrative independence do not have separate existence and are not classified as governments. Controls and factors affecting autonomy are discussed in the chapter on classification rulings. Generally, if an entity or class of entities appears to have fiscal and administrative independence but any of these controls exist, the entity is a dependent agency.

## Other Factors

The Census Bureau also takes account of local attitudes as to whether the entity or class of entity is independent and the effect of the decision upon collection and presentation of statistics on the economic activities of governments.

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<sup>3</sup> Exceptions to strict application of these tests of autonomy are made in a few instances for data collection purposes. Examples include joint exercise of powers agencies in California; public building commissions in Illinois; school building corporations in Indiana; joint agencies for electric power generation and transmission in Louisiana; certain New Jersey authorities; and the numerous municipal authorities in Pennsylvania. These exceptions are dictated mainly by the difficulty of developing reliable statistics on local government finances using the dependent agency approach.

## **Geographical Area of Governments**

Most governments serve and operate primarily within a specific geographical area for which a population can be determined. Some local governments, however, do not possess this attribute. An example is a special district government providing toll road or bridge facilities. Even those governments that can be directly associated with a defined territory for certain purposes, such as property taxation, often own and operate facilities or provide services on one basis or another to residents of adjoining territory. For example, some city governments provide water supply (either on a wholesale or retail basis) to adjacent areas outside the city limits.

## **Differential Taxation**

The fact that an entity conducts differential taxation does not affect its status as a government. Differential taxation is the application of more than one level of taxation or services throughout the area the government serves. Differential taxation often occurs legally where annexation or other boundary changes place a burden of debt service on part of the total area. Also, sometimes subordinate agencies provide particular types of improvements or governmental services. Taxes are levied only on the areas served by the subordinate agency. This results in tax level differences within the total area served by the government.

## **Functions of Governments**

### **Functions and Activities**

We use function codes to describe the activities of special districts and activity codes to describe dependent agencies. See Appendix B for the codes most commonly used by our branch. See the *Governments Division Finance and Employment Classification Manual* for a complete list of codes.

The courts distinguish between governmental and proprietary functions in determining the liability of governments for tort claims. Census statistics on governments do not make this distinction. Thus, census statistics on governments include many functions or activities that are also widely performed by private firms when there is public accountability. This is particularly true of special districts.

### **Reasons for the Creation of Special Districts**

Much of our work focuses on special districts. It is helpful to understand why governments create special districts.

Problem:	State and local governments do not coincide with geographical boundaries.
Solution:	Special districts can meet regional needs.
Problem:	Some services are inefficient when performed on a small scale.
Solution:	Special districts can be formed by two or more local governments.
Problem:	Some local governments are not equipped to handle some tasks.
Solution:	Special districts can pull together experts and concentrate on a task.
Problem:	The taxing powers of local governments are limited. There may be a constitutional debt limit or a property tax cap.
Solution:	Special districts are independent of established governments and may have taxing or other revenue powers.
Problem:	Some areas have special needs, and the population of the entire local government should not be affected.
Solution:	Special districts can collect revenue and provide services for a specified area.

## **Areas Related to Governments**

### **Local Areas for Population Statistics**

Governments Division statistics for local governments cite counties, municipalities, and townships or towns. The same designations are used for by other divisions presenting statistics on population and other subjects. The former statistics, however, are referencing governments, while the latter are referencing geographic areas. The difference is Census Bureau statistics on governments reflect information for only active governments while some geographic areas referenced in other statistical reports lack an organized government.

Examples:

- In some county-type areas recognized by other divisions, no distinct county government exists so Governments Division does not recognize the area.



- Municipal governments generally correspond to the "incorporated places" that are recognized in population and housing statistics. Municipal government statistics for Governments Division, however, exclude places with no active municipal government.
- Many "township" areas recognized by other divisions do not have organized and active township governments so Governments Division does not recognize them.
- Areas designated as "minor civil divisions" for population statistics are included in Governments Division's statistics on municipal or township governments only if they have an active municipal or township government.<sup>4</sup>

Also, note that while Governments Division codes the metropolitan statistical areas in the New England states on the county basis, the rest of the Census Bureau codes them on the place basis.

## **Taxing Areas**

When conducting directory research, you may work with a list of taxing units or taxing areas provided by a state office. Local governments included in census statistics on governments may differ materially from taxing units or taxing areas reported by official agencies in some states for two reasons:

- not all special district governments included in Census Bureau statistics on governments are legally authorized to levy taxes, and those without such power are excluded from state lists of taxing units
- in some states, the lists may include subordinate "districts" of counties (or of other types of governments) within which supplementary property taxes can be imposed to finance particular types of improvements or governmental services, but these subordinate taxing areas are not governments

We sometimes list types of taxing areas in Volume 1 when these areas may appear to be governments and we wish to make their status clear.

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<sup>4</sup> In cases where an operating local government coterminous with a minor civil division is designated as a town (in the six New England states, Minnesota, New York, or Wisconsin) or a township (in other states), it is counted as a town or township government rather than as a municipal government. If a municipal government, however, is consolidated with a town or township government, the consolidated government is counted only once--as a municipal government.

## **Chapter 3. Legislative Research**

### **Introduction**

The objectives of legislative research are:

- to maintain the state descriptions in Volume 1
- to maintain the governments directory

These are accomplished through the identification of new (since the previous census) legislation creating or repealing governmental entities and the identification of revisions to existing legislation that created governmental entities. We review the state code and state session laws for changes to existing entities, the creation of new entities, and repeals.

We classify governments based on state legislation. Counties, municipalities, and towns are usually easy to identify. For special districts and dependent agencies, we examine the legislation authorizing the entity or class of entities to determine the governmental characteristics. We make classification rulings based on these characteristics.

A ruling in legal terms is a decision a judge makes based on and interpreting the law. We make classification rulings that also are based on and interpret the law.

Our work is based on the law. Our methods are similar to legal work. We conduct research. We document our findings. We examine the evidence. We consider the intent of the law. We apply standards. We present a case. We write a ruling. We rely heavily on precedent. Keep this in mind as you read this manual.

Before beginning research, check the legislative research files and classification rulings. Research may have been conducted on entities that were created since the last Volume 1, and you do not want to duplicate the work.

While this work is conducted separately from the directory research, the findings from the activities are interrelated. Legislative research determines the allowable governments; directory research determines the revisions to the directory within that framework.

For new laws creating entities or classes of entities, complete a classification ruling (Appendix C) and a classification worksheet (Appendix D). If the entity or entities are found to be special districts, conduct directory research to see if any entities are active and add these to the directory. This work also overlaps with the update of Volume 1 as you will see in the description of the basic steps below.

These are the basic steps for legislative research:

- Find new entities or classes of entities and repeals by researching state codes and session laws. Issue classification rulings as needed. Write descriptions for Volume 1 as needed.
- Update and correct the Volume 1 descriptions for existing entities or classes of entities using the state codes and session laws.
- Document your progress in the research status summary table (a log kept by the classification staff). You may also want to use the status research status form to keep detailed notes (Appendix E).

Detailed explanations of these procedures are provided in this chapter.

## Tools

American Law Sources Online (state codes, session laws, attorney general's opinions)

American Legal Publishing Corporation (local ordinances)

[http://www.amlegal.com/online\\_library.htm](http://www.amlegal.com/online_library.htm)

directory research folders

governments directory

Lexis

Municipal Code Corporation (local ordinances)

<http://www.municode.com/>

research status summary table

sources database in office for additional legal sites

state legal codes (hardcopy)

state research status forms

state websites with state code online

Volume 1 state descriptions with the legal citations noted

See Appendix F, Data Sources.

## Types of Laws

Two basic types of statutory laws authorize governmental entities:

### General laws

These usually authorize a class of entities, such as water districts, but may authorize a specific entity. These laws appear in the state codes (that is, the codified laws).

## Special acts

These authorize a specific entity. The entity may be named in the act. Each special act is unique and must be considered individually. Special acts may appear in the state codes or in the session laws as uncodified laws (also called acts).

Some entities are created by the passage of the authorizing legislation. Others require an act on the part of a government or governments such as the passage of a resolution or ordinance.

Annotations to state codes will frequently cite court cases interpreting the statute. We refer to case law only if questions of interpretation of the statutes arise. We do not base classification decisions on case law.

## Legal Sources

### States

We have printed state codes and current session laws in the division library and have access to Lexis (an electronic legal database on the web). Many state websites have the state code online, but the search capabilities vary. The website, American Legal Sources Online, is excellent for historic session laws back to roughly 1994 (it varies by state). For other historic codes and session laws, you will need to go to the Library of Congress's Law Library Reading Room. In addition to the state codes and session laws, the state court decisions and attorney general's opinions are available at the Library of Congress or in Lexis.

The type of legal documentation available varies by state. Materials include: codified laws, session laws, and digests.

### Codes

Codes contain legal rules known as statutes, regulations, or ordinances. Codified law is arranged by subject matter. The hard copy versions are updated with supplements, which are often placed in pockets in the back of the books. The state codes have indexes of topics in alphabetical order. Some states have special indexes of special acts.

The definitions at the beginning of each law are important. For example, a creating commission may be defined as a city, county, or highway district; the text concerning the creation of the entity may reference only commissions and counties.

It is sufficient to review the codes for new legislation applicable to our work once every 5 years.

## Session laws

Session laws are uncodified laws. They may change, repeal, or add to the state code. Changes to and repeals of codified laws will appear in the codes. Special acts may or may not be added to the state code. Whether acts appear in the state code or not, they have been enacted and are as valid as the state code. An uncodified law may be cited by chapter and year or page and year. Repeals of uncodified laws would appear in the session laws only.

The session laws are reviewed annually.

## Digests

Digests are the traditional means of finding completed court cases. We occasionally look up court cases for clarification of a law. The following states have digests of laws: Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Hawaii, Idaho, Kansas, Kentucky, Maryland, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin.

## Federal

These may be found at the Library of Congress's Law Library Reading Room:

### Federal statutes

United States Code (U.S.C.) - codified statutes

United States Statutes at Large (Stat.) - session law

### Federal court decisions

United States Reports (U.S.); Supreme Court Reporter (S. Ct.); Supreme Court Reports Lawyers' Edition (L. Ed.) - covers U.S. Supreme Court decisions

Federal Reporter (F.) - covers decisions of the U.S. Court of Appeals

Federal Supplement (F. Supp.) - covers selected decisions of the U.S. District Courts

## **Other**

In addition, you may find Words and Phrases (as judicially defined), Corpus Juris Secundum (C.J.C) (a legal encyclopedia), American Jurisprudence 2d (a legal encyclopedia), or Black's Law Dictionary helpful.

## **Using the Library of Congress's Law Library**

The law library is on the second floor of the Madison building. The law library is an excellent source for special acts.

You first need to obtain a user card. Go to room 140 (at the Library of Congress's Madison Building) for this. Bring your driver's license; they do not want work ids.

You will need a copy card. You can obtain one in the law library at a machine by the copiers. The copy card machine does not take change. It takes ones, fives, tens, and twenties. Copies are 25 cents each.

The collections at the Library of Congress may be either on open shelves or in closed stacks for which you fill out a call card. Call cards are on the librarian's desk in the law library. There are also some in the microtext room.

Complete a call card for each state and year. For example, one call card might be for Georgia session laws for 1991 pages 4394 and 4093. Another call card might be for Georgia session laws for 1990 pages 4273, 4085, and 3542. Ask for the microtext or they may send off for the laws which takes time. Microtext covers microfilm and microfiche.

You will need the year and page number (or maybe act number) for the call card. If you have only the year and the name of the law, complete a call card asking for the indexes for that year and state. If you find the page number or act number, complete another call card to request the microtext for it.

The librarian will bring you the microtext and demonstrate the readers/copiers.

## **Lexis**

This section is not a primer on Lexis. It points out key information concerning Lexis usage related to our work.

Lexis is an online database of legal codes, session laws, and bills among other legislative materials. You will use Lexis to do most of your legal research.

To see all current laws for a state, select the option that will show both the statutes and the advanced legislative service. The advanced legislative service contains the session laws. The statutes and session laws are both enacted legislation. You may use all of the laws found through this option to base rulings on.

If you click on the “i” circle next to the option, Lexis will describe how up-to-date the laws are. Every law, whether statute or session law, that appears in a search will be the most current legislation Lexis has. Lexis offers options for searching previous versions of a law by year.

Do not use the options for bills for rulings. The bills are impending legislation and may be used only for informational purposes.

## **Understanding a Law**

Before reading a law, read the definitions applicable to the law. These may appear at the start of a special act or the start of the sections of general code authorizing a class of entities or a single entity. Or, you may need to consult separate general code that describes the definitions. In Vermont, for example, the definitions of terms appear in title one, general provisions; chapter three, construction of statutes; subchapter two, definition of terms. It is important to read the definitions because the definitions may not be obvious from their usage. In Vermont, to continue the example, “municipality” includes cities, towns, town school districts, incorporated school or fire districts, and all other governmental incorporated units.

## **General Laws, Special Acts, and the Passage of Time**

The text in Volume 1 may no longer be accurate because laws can be amended or laws can be repealed and replaced with a new law. Here are some situations you may encounter.

A general law changes

When a general law changes, consider whether the classification has changed.

More special acts are passed

Each special act is unique. Perhaps in 1950, all authorities of a particular type in a particular state were created by special act as local dependents, but additional special acts may have been passed since then and some of these newer authorities may fall under other classifications. For every

special act, complete a classification worksheet and issue a ruling.<sup>5</sup> (You can lump similar entities created by special acts into one ruling, but each must have its own worksheet.)

Special acts can be amended by subsequent special acts. The problem for us is that the original special act is not rewritten. To know the current nature of an entity created by special act, you would need every special act passed for that entity.

Both a general law and special acts are passed

Sometimes a general law is passed for a class of entity but, later (or earlier) special acts are passed creating exceptions. However, sometimes a general law will state that all entities of the kind created previous to the enactment of the general law are as of then considered to be authorized by the general law.

Local ordinances with no apparent connection to state law

Sometimes we cannot identify an authorizing state law for entities created by local ordinance. Sometimes we missed a special act. Sometimes there is no such state law. An entity may be created under an extremely generic law authorizing various powers. This latter situation particularly occurs with home-rule governments. Most of the entities created in this manner are local dependents.

## **Selecting New Entities to Research**

Special districts and dependent agencies are created to perform functions. Appendix B has a list of functions. We find new entities by searching by function through the state code and session laws. Appendix G lists suggested key word searches for Lexis. You may find scanning the indexes for the state codes to be fruitful. If time permits, also review the local ordinances.

The basic rule is - when you see a law creating an entity or class of entities with a board, corporate powers, or revenue powers, check to see if it has been classified, and, if not, classify it. Analyze each new entity or class of entities to determine its nature as government, dependent agency, or out of scope.

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<sup>5</sup>Traditionally, we have made blanket classifications for some types of entities authorized by special acts in some states. This has been for consistency and because of difficulty obtaining special acts. You will need to take this into consideration. Note, however, that we now have ready access to current and some historical session laws on the Internet, which may change our approach.



If you find the legislation is creating a special district or class of special districts, complete the research, issue a classification ruling, and list the entity or class of entities in Volume 1. Classify all special district finds even if there is no evidence that the entity or entities are active. If applicable, you will note in Volume 1 that “No governments of this type were created as of [date]” or “This entity was not reported in operation as of [date].”

If the entity or class of entities is private, complete the research and issue a ruling. Private entities are not listed in Volume 1, but it is necessary to have a record that the entity was examined so the work is not duplicated in the future.

For state and local dependent entities or classes of entities, you will need to decide which warrant classification and which also warrant listing in Volume 1. We do not want to classify and list dependent agencies and activities that are clearly identifiable as part of a state or local government. Sometimes we classify an entity or class of entities but do not list it because we find that it is distinct enough from its parent government to warrant classification but that it does not have traits warranting listing.

Here are guidelines for determining which dependent entities to classify and list in Volume 1:

- All state and local dependents that are named as an authority or district.
- For local dependents, agencies and activities that may require separate data collection or that may be confused with special districts.
- For state dependents, those that have significant funding or that could be confused with special districts or local entities.
- For state foundations and trust funds with separate boards, the larger ones.
- For commissions, those that conduct activities that appear in other states as special districts. Do not classify and list entities such as real estate commissions - every state has a real estate commission and there is no possibility of confusing it with a special district or local entity nor would there be much funding involved.
- Do not classify and list old laws for which there are no active districts. These are laws that are not in use but have not been repealed. They may have appeared in a previous Volume 1.

## **Repeals**

A law may be repealed and re-enacted under a different chapter and section of the code.

If an entity or class of entities (new or old) is repealed effective in the future (sunset laws) but prior to publication: check before final publication to see if the state repealed the law or allowed the entity or entities to continue in existence.

## **Existing Entities**

You will update the text for the individual state descriptions in Volume 1 during legislative research. Realize that changes in the law could change the classification of an entity or class of entities.

For entities or classes of entities created under general law: Find the state code referenced by the Volume 1 state descriptions. Review all sections of the applicable code, not just the sections specifically referenced in the Volume 1 state descriptions. This is important because new sections affecting the autonomy of the entity or class of entities may have been passed. For example, a section stating that the property reverts to the county upon dissolution may have been added.

For entities created by special act: Check to see if the act has become codified. If so, look for changes. If the act has not become codified, look for new special acts that have been passed for the entity. Be sure to look for repeals.

These are specific instructions for updating Volume 1's descriptions:

- Update references to the jurisdiction, that is, areas or grades served. Be sure that the references are consistent throughout the description.
- Update the description of the method of establishment. Examine the law closely; procedural changes may not be apparent at first.
- Update code citations. If a code number listed on the state description does not match the statutes, look for the new code and update the write up.
- Update the name(s). Note if additional versions of the name(s) are legislated.
- Update the references to the board members: method of appointment, designated officials, their titles, authority (voting or not), and counts.
- Update the names of committees. Sometimes an entity or class of entities has a governing board and a planning committee; this can be confusing. Watch for other situations where more than one committee or board is involved.

- Update the financing, especially look at the type of bonds allowed and any restrictions.
- Drop obsolete references such as: this entity was called such and such 10 years ago.
- Drop descriptions of old laws for which there are no active entities and for which there have been no changes to the law or mention in the news within the past 5 years. (This will have to wait for the completion of directory research.)
- Change dates in the text to reflect the date the research was conducted.
- Change state ranks and government counts to “x.” We will update the counts when we finalize the directory research.

Notes:

There must be evidence of a change to change something. If in doubt, do not change it.

To say “state” bonds in the text, the bonds must have the “full faith and credit” of the state.

## **Outside Review**

We submit the documented findings (Volume 1 state descriptions with citations to state law) to political scientists or public officials in each state for review prior to each census publication. With few exceptions, the Census Bureau classification of government entities takes into account the views expressed by these reviewers. We sometimes depart from their views to maintain consistency of governmental classification among the states. We respond to all reviewer comments, either by making the suggested change or by sending a memorandum as to why a comment or suggestion was not applied.

## **Chapter 4.      Directory Research**

### **Introduction**

For directory research, we gather information from the G-24 survey, national and state sources, Internet sources, the census of governments directory survey, and The Bond Buyer. We use this information to update the governments directory with additions of new entities, removals of disincorporated entities, mergers, and name and address changes.

Directory research updates the governments directory. Every entity in the governments directory must be accounted for in Volume 1. Be sure you know where an entity belongs in Volume 1 before adding it to the governments directory. If you do not find the entity or its class in Volume 1, then it is a new entity or class of entities and you will need to first conduct legislative research and issue a classification ruling before adding it to the governments directory.

Research requires careful documentation of findings and sources. You will sometimes need to also document your reasoning. You may need to refer back to this information. The analysts who follow you will need this documentation.

You also need to create a list of sources, how you obtained them, and the date of the sources. You also need to track your progress in completing the review of these sources. List your sources in the office sources database and your progress in the research status summary table. There also is a form provided in Appendix E if you wish to keep more detailed notes.

### **Tools**

Bond Buyer reports  
Census of governments directory survey  
county websites  
directory listings, property tax reports, and the like requested from each state  
directory listings from national sources  
governments directory  
G-24 surveys  
Internet search engines  
Mergent's  
research status summary table  
sources database (in-office)  
state research status forms  
state websites  
Volume 1 (hard copy and electronic)

See Appendix F. Data Sources.

## G-24 Survey

We mail the G-24 survey to county clerks or appropriate state officials the year before the Census of Governments (which is conducted in years ending in two and seven). It requests the respondents review and update the list of special district governments for their counties. We typically receive an 80 percent response. The information received helps ensure the Census of Governments is sent to all active governments.

We keep the G-24 forms in the filing cabinets in Room 511. They are filed in the directory research folders by state. See the branch's electronic files for a sample form, special instructions for each state, answers to common questions (from respondents) about the survey, and review instructions.

The special instructions indicate the types of entities the respondent should and should not report on the G-24. We update the special instructions for each state prior to mailing. We use Volume 1 for this information.

The most important rules for reviewing the G-24s are:

- Verify that the adds reported by the G-24 respondents are special districts and not already in the directory. See a detailed explanation in the section "Handling a New Entity" later in this chapter.
- Verify disincorporations reported on the G-24 by obtaining a disincorporation date or merger information or by comparing to other sources.

If you find an entity or class of entities created by new legislation and listed on a G-24, conduct legislative research and issue a classification ruling. If research or a ruling results in a change or addition to Volume 1, place a note in the legislative research file so it will be reviewed and included during the update of Volume 1.

Respondents will sometimes cross an entity off the G-24 list but not provide an explanation. Find a second source to verify that the entity is disincorporated. You can check the law for mention of the entity, check the news files, call the county and ask for more information, or consult a national or state source. (Reviewing national and state sources is the next step for directory research.)

Respondents will write in entities that they believe are special districts. Check Volume 1 or the G-24 special instructions first to try to determine if the write-in entity is a special district. If the entity is not covered by Volume 1, it may have been created under new legislation. If you cannot find the authorizing legislation, seek information from the news file in Lexis or web sites or by calling the entity or the county. If these efforts fail, add the entity to the governments directory and wait to see if the entity appears in a state or national source or responds to the directory

survey (another part of directory research). The directory survey gathers information on function, authorizing legislation, and sources of revenue that will help determine if the entity is a special district.

## **National and State Sources**

In the year before each Census of Governments, we search for additions or changes to the special districts in the governments directory. We accomplish this by reviewing national and state listings of governments.

Each analyst is assigned states to work. You search for sources for each class of entity in a state. You contact sources used in the last census for an updated listing or find the listings on the Internet. You conduct searches for new state and national sources to cover classes of entities for which we do not have a state source or to find a better source than was used in the past. In addition, the branch chief will see that hard copies of certain standard national sources are obtained.

You work the lists you obtain to determine which entities are governments. Some list both special districts and dependent agencies. Some sources list all special districts or all of certain types. Others list only entities that the agency maintaining the list is interested in.

Our policy is to accept the information from an authoritative source (for example, the American Hospital Association's guide) unless we have evidence to the contrary. We do not have the resources to redo and verify all of the work that the institution conducted to compile the list.

These are the procedures for reviewing the national and state sources:

### **1. Access your basic tools**

- Print each state's Volume 1 description.
- Print special district listings by state from the governments directory. Include the disincorporated entities. Sort by function code and name.

### **2. Gather directories and lists from known state and national sources**

- Check for state and national directories in the office library.
- Check federal, state, and private websites (see the in-office sources database) for updated versions of listings obtained in the last census.
- Call for sources that are not available on the web. Be sure to note the source and date on the arriving listings.

- Check for Mergent's in the office library.
3. Assess coverage and obtain additional sources as needed
- Compare the classes of special districts found in Volume 1 for the state to the assembled sources. Determine which classes are not covered by the sources.
  - Check the in-office sources database for additional sources to cover the classes of special districts for which you have no sources. Also check for additional sources for those you do have sources for. (Everyone in the office contributes to the database so there may be new sources not previously used for the state your are working on.)
  - Check state home web pages for new sources and run general web searches for new sources.
  - (optional) Determine which are the best sources and leave notes for future analysts on how productive the sources were.
4. Review the sources and update the governments directory (for Pennsylvania, see Appendix H)
- Consult Volume 1 as you work.
- Read through the whole state, many types of entities have similar names.
- Read the descriptions for the special districts. The descriptions will often state specific criteria that distinguish when a particular class of entity is classified as a special district and when it is classified as a dependent agency.
- Add new entities that meet the criteria for special districts as described by Volume 1. When needed, obtain more information such as the authorizing legislation for the entity or the type of board to determine that the entity is in fact a special district before adding it. See a detailed explanation in "Handling a New Entity" later in this chapter.
  - Check to see if a ruling has been issued for entities you have found that are not covered by Volume 1. If a ruling has not been issued, conduct legislative research and issue a ruling before adding the entities to the

directory. See a detailed explanation in “Handling a New Entity” later in this chapter.

- Remove entities that the source indicates are no longer in existence but use caution. Try to find a second source indicating that the entity is dissolved or inactive. It also helps to check the previous census’s state source in the directory research files - if the entity was listed last census but is not now listed, you can assume that it no longer exists and disincorporate it.
- Update contact titles and addresses.
- Update entity names but use caution. The new name could mean the entity has changed from a special district to a dependent agency or could be the result of a merger.
- Research function codes that appear to be grossly in error and have no explanatory documentation in the annotations or rulings fields. Look for classification rulings for the entity. Try to find a website for the entity or call the entity. If the function code is correct, document why in the annotations field.
- (if appropriate) Check the G-24 surveys, the census of government directory surveys, or the Bond Buyer for additional information on particular entities.

## 5. Conduct checks

- Review the local dependent agencies in the state for duplicates of the special districts. Research and resolve any you find.
- Sort the special district listing alphabetically to check for duplicates. Pay attention to county codes. Sometimes duplicates are entered into the directory because two counties claim a district. You will need to determine which county the special district should be assigned to.
- Check to see if the new entity’s address is already in the directory. If so, the new entity may really be a name change.
- (if appropriate) Check the applicable county or city’s financial statements to see if the data are included for entities that may be special districts or dependent agencies depending on their degree of autonomy.

Documentation of your directory research is important. These are the types of records kept:



- Use the year-source-action field in the governments directory when adding, disincorporating, or updating a record. Leave notes documenting any research in the annotations field. For entities that may be a special district or a dependent agency depending on certain criteria, indicate that you verified that the entity met the criteria for a special district. For example, “Per call to the entity, the board is elected.” Note rulings in the rulings field.
- Notate the state listings as you work. It is particularly important to leave notes concerning dependent agencies because you are only adding the special districts to the governments directory as you do this research. For example, if you call and learn that an entity is a dependent agency because it has an ex officio board, note this on the form. The information will then be available for the next round of directory research. Date the state listings and place them in the state directory research folder. Dispose of older versions of the lists. (You will probably work simpler lists without printing them and, thus, have nothing to keep. Do print any lists requiring research so you can document why you did not accept an entity as a special district.)
- Update the office sources database and research status summary table.
- Place a note in the legislative research file for research that results in a change or addition to Volume 1 so the information will be reviewed and included during the update of Volume 1.
- Place information in the legislative research files that needs to be reviewed during legislative research.
- (optional) Use the state research status forms to keep more detailed records. For example, you may wish to keep notes on the usefulness of a particular source or why you did not use a source that was used in the past.

## **Internet Sources**

Many of the state and national sources just discussed are on the Internet. In addition to searching for such listings, you can search for individual entities and for other types of lists on the Internet. You can find a wide variety of other sites such as official sites for individual entities, studies that discuss entities, minutes from local government meetings that mention entities, federal projects sites that list entities, and much more. You can also search the Yahoo! yellow pages or other telephone number sites to find new entities. You can check the local ordinances at sites such as the Municipal Code Corporation. You can search Lexis news for new entities. You may find that

keying in a search such as “special acts and Virginia ” will bring up a listing of entities created by special act for the state. You may find a registry of special districts.

## **Handling a New Entity**

You are working the G-24s, directory research, or a research request, and you find an entity that is not in the governments directory. Now what? Look in Volume 1. Always start with Volume 1. Here are the different situations you will find and what you should then do:

The entity falls under a class of entities that are all created by general law and all special districts (or all dependent agencies).

This is straightforward. If the entity is a special district, add the entity to the governments directory. If the entity is a dependent agency, you may want to leave notes on any lists you are working but, otherwise, do nothing. Be aware, however, that a state could at any time decide to create an entity that is similar but created by a special act.

The entity falls under a class of entities that are all created under general law, but some are special districts and some are dependent agencies depending on the board, the funding, or controls.

Research the entity to determine whether it is a special district or dependent agency. A common situation is the entity is a special district if the board is regional but a dependent agency if not. Another common situation is the entity is a special district if the board is appointed but a dependent agency if the board is ex officio. It is important to place notes in the governments directory stating why the entity is a special district and identifying the source. The analysts who follow you will need this information.

The entity falls under a class of entities that are each created by special act.

Ideally, you need to obtain the special act, complete a classification worksheet, and issue a ruling for each entity. Remember that each special act is an opportunity for the state to do something different. Also take blanket classification of special acts into account (see the chapter on classification). When you add the entity to the governments directory, enter the ruling number and the citation for the special act in the legal citation field.

If you cannot obtain the authorizing legislation, conduct research to learn as much as possible about the entity. Unfortunately, it is rare that

information such as property reversion clauses is available without the authorizing legislation. You will make a decision and issue a ruling based on the available information. In the ruling, you will list your sources. In the governments directory, you will reference the ruling. The lack of a citation in the legal citation field indicates that the special act was not used for the ruling.

The entity may be created under a general law for a class of entities or may be created by special act.

Many different possibilities exist here. For example: All of the entities created under general law and special acts (to date) are special districts. Another example: All of the entities created under general law are special districts and those created under special acts may be special districts or dependent agencies depending on certain criteria. There are more possibilities.

Ideally, you should find out which law the entity was created under and proceed from that information. If you cannot find the applicable law, you may be able to make an initial determination based on the board. For example, suppose all water districts created under general law have elected boards and are special districts while water districts created by special acts (to date) may have appointed boards and be special districts or have ex officio boards and be dependent agencies. If the board is elected or appointed, you would assume that the entity is a special district. If the board is ex officio, you would assume the entity is a dependent agency.

When adding such an entity to the governments directory, you will state in the notes that you did so based on the board. As there will be no ruling or citation in the governments directory, future analysts will know that additional research is needed. It is possible that one or more of the entities you initially found to be a special district may in fact be a dependent agency based on the authorizing legislation (because of controls or fiscal arrangements). You may add entities to the governments directory based on your initial determination but, at some point, the authorizing legislation needs be found so an accurate classification can be made.

If you do know which law authorized the particular entity, enter the citation in the governments directory. If you issue a ruling, enter the ruling number in the governments directory. Providing this information will make it clear that the entity is correctly classified and does not need further research.

The entity is individually listed in Volume 1.

Volume 1 lists all legislation authorizing special districts regardless of whether any active special districts exist. (If no entities come into existence but the law remains on the books, we do eventually delete the Volume 1 entry.) If you find an entity that is listed in Volume 1 but not in the governments directory, you have found an entity that was legislated earlier and has now come into existence. If the entity is listed as a special district, add it to the governments directory. It is helpful but not required if you add a note that the entity is listed individually in Volume 1. If the entity is listed as a dependent agency, do nothing.

The entity is not covered by Volume 1, not as a class of entities and not individually.

Conduct legislative research, complete a classification worksheet, and issue a classification ruling. Enter appropriate documentation in the governments directory.

## **Directory Survey**

The autumn before the census year, the census of governments directory survey is mailed to all local governments. Responses may come in for up to a year. The survey mainly asks organization questions but usually has some finance or employment questions. These latter questions are used by the finance and employment branches for nonrespondents to their surveys.

The directory survey serves the following purposes:

- to identify and delete inactive units
- to identify file duplicates and incorrect classifications
- to update the mailing addresses of the governments
- to help produce the official count of governmental units for Volume 1
- to obtain descriptive information on the basic characteristics of the governments for presentation in Volume 1 and for later use in selecting survey samples

The specific information the directory survey requests are:

- The directory survey asks counties, cities, and towns to report their fiscal year ending date, the public services they provide or contract for, and e-services.
- The directory survey asks school districts to report their fiscal year ending date, the geographic areas they service, school services, and e-services.
- The directory survey asks the special districts to report their fiscal year ending date, geographic areas serviced, authorizing legislation, incorporation date (if they are new since the last census), revenue powers, activities (functions) by percentage of expenditure, taxing powers, authority (that is, whether hiring employees, contracting out, constructing public facilities, or financing or leasing), and e-services.

## **Bond Buyer Research**

The Bond Buyer is available online by subscription. We are not presently researching The Bond Buyer on a regular basis.

The objective of researching entities listed in The Bond Buyer is to add the special districts to Volume 1 and the governments directory at the earliest opportunity. The Bond Buyer is issued daily. It shows developments in public finance and bond issues of state and local governments and their agencies. We look at the results of negotiated bond sales and competitive bond sales. Look for issues of at least \$20 million for new special districts and dependents. (These are certainty units that will definitely be included in the sample.) Other divisions or agencies identify the city, county, and school districts listed in The Bond Buyer.

Select the entities to research:

Look for special districts and state and local dependent agencies in the Bond Buyer listings.

Do not select:

- Listings called "certificates of participation." These are joint issues of a group of local governments and not special districts.
- School district or community college bonds. Do, however, examine entities such as the Virginia Public School Authority or the California School Finance Authority.

- County offerings indicated by wording such as "X co. county commissioners." For example, the Charles County commissioners issuing mortgage revenue bonds is the county government.

Note: Some public issues are now taxable, especially if they are issued for a private purpose. Examples: bonds financing a corporate office center to lease for government use or the St. Charles, Missouri, Public Financing Authority - a private entity leasing jails to a public entity.

Research the selected entities:

Determine if the special districts and state and local dependents found in The Bond Buyer are listed in Volume 1. Then, check to see if the special districts have identification numbers in the directory. More specifically:

Check Volume 1.

If the entity is listed in Volume 1, either individually or under a class of entities, note whether it is a special district or dependent agency on The Bond Buyer. If the entity is a dependent agency and listed either individually or under a class of entities in Volume 1, stop here.

Check the governments directory.

For a special district listed in Volume 1 either as an individual entity or a class of entities, find its identification number in the governments directory and note it on The Bond Buyer. Note that sometimes the name in The Bond Buyer is a little different from the directory name. If governments directory has an identification number, add the entity to the governments directory.

For dependent agencies that are not in Volume 1 and special districts that are not in Volume 1 and not in the governments directory, try the legislative research files and the classification rulings. If no record is found, conduct legislative research and issue a classification ruling.

## **Chapter 5.      Classification Rulings**

### **Introduction**

The types of local governments were described in the chapter “Government Defined.” We classify every type of local government. The classification of general purpose (county, city, or town) governments and school districts is usually straightforward. Special districts and dependent agencies require analysis. We conduct this analysis on classification worksheets and issue the decisions as classification rulings.

Classification rulings are based on the standards for government classification as contained in the definition of a government. Classification rulings are formal approval and documentation of major decisions. This chapter elaborates on the issues and mechanics of classification. Key to this is the classification worksheet in Appendix D. A variation of this is the legislative research worksheet in Appendix I.

The classification worksheet is a guideline. You must also consider all of the information in this chapter. You must consider the intent of the law. You will have to use your judgment. You will encounter unique situations for which you will have to make unique determinations.

Precedent is an important concept in our classification work. When you conduct research on an entity or class of entities, consult the classification rulings files to see if a prior ruling was made. The decisions in a ruling must be perpetuated unless a ruling is written reversing or revising the original ruling.

Keep in mind that every determination must contribute to an overall, coherent classification system. Rulings are part of the process of ensuring adherence to standards, logic, and consistency (and, thus, ensuring credibility) in our work. We must be able to explain our classifications. Every class of entity or special act listed in Volume 1 and every entity listed in the governments directory must have a classification ruling backing it up.

Our classification system is honored by other governments in disputes such as overtime pay. Some states have written into their laws that our classifications will be the final authority in certain matters. (Differences exist between state classifications and Governments Division classifications of entities.) Our statistics are cited in debates and studies.

Careful documentation is necessary so that both you and future analysts can easily find and rely on the precedents created. The analysts will need to read about the decisions made and the reasons behind the decisions. Both you and future analysts will build upon previous rulings because rulings help to explain the thought process in a state. You will find a wealth of valuable

information in the classification rulings.<sup>6</sup> Well-documented rulings and classification worksheets can be used in studies, such as studying entities created under a particular function code across states.

In addition to the information in this chapter, see Appendix J, Examples of Classification; Appendix K, Classification Issues by Type of Entity; and Appendix L, State Characteristics Affecting Classification.

## Tools

city and county audit reports (for organizational and fiscal relationships)  
classification ruling form  
classification worksheet  
governments directory  
GOVS05/research tools/courts  
Internet  
precedent classification rulings  
Lexis  
Mergent's for debt  
office sources database  
state codes  
state and local officials  
state and national directories  
Volume 1

See Appendix F. Data Sources

See Appendix J. Examples of Classification

## Definition of a Classification Ruling

The definition of a classification ruling:

The results of an analysis of the authorizing legislation for an entity or class of entities to determine whether the entity type is a special district or a dependent agency of another government.

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<sup>6</sup> The rulings archive has sometimes been subject to errors of omission and commission; that is, occasionally you will discover that no ruling was issued for a class of entities identified in the directory and/or described in Volume 1, and you will also see some commonplace maintenance issues documented as classification rulings.



Classification rulings break new ground and include two type of actions:

- classification of a new class of entity or entity created by special act
- reclassification

Reclassifications are of two types:

- to straighten out misclassifications that were previously documented as a classification ruling or that are significant (such as reclassifying an entity or class of entities from dependent to special district)
- to document a change in classification due to a change in the legislation or a change in survey data collection (such as reclassifying the function code for a class of entities)

We sometimes issue clarifications, confirmations, or consolidations of previous rulings as rulings.

## **Sources of Classification Rulings**

Rulings result from division research requests, legislative and directory research, or outside documentation:

- Rulings may result from division research requests. Research requests are generated by the survey staff. All requests are submitted to our office via an electronic form.
- Rulings are generated by our legislative and directory research.
- Rulings are sometimes our response to documentation provided by outside sources.

A variety of requests may come from these sources - only the actions defined as a classification ruling are bona fide classification rulings. For requests that require a formal ruling, we complete a classification ruling form (Appendix C) and, if appropriate, a classification worksheet (Appendix D) or some documentation covering all of the same information. The following provides more specifics.

Directory changes that do not require a formal classification ruling:

- name and address changes
- single unit additions of entities previously classified under general law (all special acts require classification)
- single unit disincorporations
- single or multiple unit revisions resulting from legal rulings, such as notification of a court decision or notification from Geography Division that two units have merged
- dependent agency list additions, deletions, or minimal changes for single units

Directory changes that require a formal classification ruling:

- changes based upon legislative research into the structure and organization of governments in a state
- changes as the result of input from an outside person or agency such as:
  - changes requested by a survey sponsor
  - changes requested by an outside reviewer of Volume 1
  - changes requested by a data user, state official, or federal official in conjunction with an existing program that makes use of the division's classification system for any legal or administrative purposes such as grant allocation
  - changes requested by a statistical agency that makes use of our data for statistical purposes but is not a direct sponsor of any division work, such as the Bureau of Economic Analysis

## **General Approach**

Our objective is to create a list of governments. When we examine an entity or class of entities, we first determine if it is public or private. Then we determine if it is a dependent agency or an independent government. If it is dependent, we determine if it is dependent on the state or a local government.

We complete a classification worksheet and a classification ruling. We issue the draft ruling (called a preruling) and the worksheet to the finance, employment, and education branches. We discuss the ruling with these staffs at a classification review meeting. The branches comment on the effects of data collection. We then sometimes must modify our ruling for data collection purposes.

Finally, we issue the ruling and make any applicable changes or additions in the governments directory.

## **The Classification Worksheet - Basics**

We need the complete picture of an entity or class of entities to classify it. The classification worksheet covers all of the basic information needed to classify an entity or class of entities. The section in the worksheet covering existence as an organized entity was discussed in the chapter called “Government Defined.” The sections in the worksheet on governmental character and common characteristics of private entities are discussed later in this chapter under “Public Versus Private.” The sections on autonomy and the common characteristics of dependent agencies are discussed under “Independent Versus Dependent.” “Additional Analysis of the Classification Decision” is explained in its own section in this chapter. The following describes the areas served, method of establishment, governing body, and additional authorized financing methods. Functions are described in Appendix B.

### **Area Served**

The area served by a governmental entity may be any of the following:

- part of a local government
- conterminous with (that is, has the same boundaries as) a state or local government
- regional covering two or more local governments or portions thereof

Sometimes the boundaries may be specified in the agreement between two or more governments. Also, sometimes the boundaries are worked out by committees and then documented by the authorizing ordinance.

### **Method of Establishment**

Directly or indirectly, the state authorizes the creation of all governmental entities. Sometimes the code, once signed by the governor, creates the entity. Sometimes the local governments must pass an ordinance to create an entity. Other methods of establishment include: petition of voters;

court order; special act of the legislature; agreement between two or more governments (compact, joint meeting, joint agreement); and executive order. The establishment may require voter approval.

Note that some joint agreements create bona fide entities while other joint powers agreements are merely contracts. Those joint agreements that are merely contracts to conduct an activity are not counted as governments or dependent agencies.

Realize that the law an entity was created under determines the classification of the entity, not the name the entity goes by. Entities may go under names that imply they were created under a different act than the one they were actually created under. For example, an entity that calls itself an economic development authority may have been created under an industrial development authority act.

### **Governing Body**

On the classification worksheet, give the name of the governing body. Examples of names include board of directors, board of trustees, or authority board. Describe how the members are selected. Examples of methods of selection:

- election by voters
- appointment by officials of another government or governments
- named in the creating petition
- ex officio membership (persons serving on a board by virtue of their being an official of another state or local government)

We use the term “elected” to mean elected by voters. In some states, the law refers to the appointing officials as electing the board members; we consider these to be appointments. See the discussion under the section “Public Versus Private” in this chapter concerning popular election versus election by benefitted citizens.

In determining the nature of a board (public versus private or independent versus dependent) with competing interests, look for a majority. You must consider, however, the requirements for a quorum, which may be a simple majority or may be two-thirds or three-quarters of the board.

### **Additional Authorized Financing Methods**

You will indicate revenue powers in the section on fiscal autonomy on the worksheet. These are discussed in detail later in this chapter. You may add details about these powers to the worksheet in this section.

To complete the picture for the entity or class of entities, you will list in this section other sources of revenue. Examples include: state and local appropriations, grants, donations, taxes levied by the creating government, and bonds issued by the creating government.

## **Public Versus Private**

Our first classification determination is whether an entity or class of entities is public or private.

### **Comparing to the Definition of a Government**

We assess the entity or class of entities per the classification criteria found in the definition of a government. To be public, an entity must have existence as an organized entity and governmental character. To have governmental character, an entity must have responsibility to the public (as evidenced by public accountability or public administration) or public authority (as evidenced by the power to levy taxes, issue tax-exempt debt, or perform an essential governmental function).

We consider an entity or class of entities to be private if it has no responsibility to the public and no public authority. These are common situations:

- The entity cannot set taxes or issue federally tax-exempt debt and, thus, does not have public authority. The authorizing law does not require public reporting or audits. The board is elected by the corporation members. Election by members is generally not popularly elected and is not evidence of responsibility to the public.
- The entity cannot set taxes or issue federally tax-exempt debt and, thus, does not have public authority. The authorizing law does not require public reporting or audits. The board is part public representatives and part private representatives; however, the majority are private. A board where the majority of members are private representatives is not evidence of responsibility to the public.
- The law authorizing the entity does not specify any responsibility to the public or public authority (such as issuing federally tax-exempt debt). Sometimes the board's composition and the manner of funding will not be stated at all. These entities are considered private.

### **The Classification Worksheet and Governmental Characteristics**

The classification worksheet allows you to directly compare the characteristics of the entity or class of entities you are researching to the definition of a government. The section on governmental character on the classification worksheet is discussed below.

#### Governmental character- responsibility to the public - public accountability

Public reporting would be to another government. An annual audit would be conducted by a certified public accountant or a state or local agency. Open to public inspection also qualifies for this criterion.

#### Governmental character - responsibility to the public - public administration

Popularly elected means the electors represent everyone legally entitled to vote in a governmental area, congressional district, or a standard taxing district. Election by property owners, stockholders, or corporation members is usually not popularly elected unless they represent everyone in the governmental or benefitted area or taxing district.

Both special districts and dependent agencies may have appointed or elected boards. Many special districts have appointed boards and enjoy substantial administrative and fiscal autonomy. Some semi-autonomous hospital boards, school boards, and the like have members who are elected by the voters but the entities are dependent because of the lack of administrative or fiscal autonomy. A board member's status as nonvoting does not affect classification.

#### Governmental character - authority - levy taxes

To have governmental character, one of the following three situations must exist: the entity sets the taxes and the creating government levies the tax; the entity levies the taxes itself; or the creating government is statutorily required to levy taxes in the amount requested by the entity. See the discussion under "Fiscal Independence - Determine Taxes to be Levied" later in this section.

#### Governmental character - authority - issue tax-exempt debt

This criterion is limited to debt that is exempt from federal income tax. To have governmental character by this criterion, the entity must issue the federally tax-exempt debt itself.

There are two types of tax exemption - federal and state. Bonds (or other debt) may be exempt from either or both. For a bond issue to be exempt from federal taxes, it must meet certain guidelines in the United States code. Most of these provisions are in the tax code. For a bond issue to be exempt from state taxes, the exemption must be in the state constitution or code. For both state and local bonds, you usually find the provisions for

tax exemption in the constitution, the specific enabling legislation, a general state bond law, and/or the state tax code. Many tax exemptions for bonds start in the state constitution. For local bonds, you also may find information in the local enabling legislation. The provisions governing state-issued debt may be different from those governing locally issued bonds.

A debt issuance by a state or local government is exempt from federal taxes if it meets the tax code and Internal Revenue Service regulations. The Internal Revenue Service states that its guidelines for municipal tax exempt bonds “apply to all arrangements purporting to involve debt obligations of states and their political subdivisions whether styled as notes, bonds, installment sales, lease financing arrangements, or otherwise.” The term “municipal” in bond circles applies to all publicly issued debt, not just that issued by cities.

Sometimes an entity disincorporates and the authorizing government assumes the debt. The debt may still be listed separately in Mergent’s Municipal and Government Manual.

#### Governmental character - authority - perform a governmental function

An entity or class of entities can be considered to have governmental character solely on the basis that it performs a function that is essentially governmental, that is, a function that could not be performed by a private entity. Essential governmental functions include courts, fire protection, general police protection, administering the building or maintenance of government offices, or administering government finances. Note that one can assume that an entity created to build government offices will be subject to the control: legislative and executive specification of type and location of agency’s facilities to be built and maintained. See “The Classification Worksheet - Controls and Factors” below for more information about controls.

In addition, the classification worksheet has a section describing common situations for private entities to assist you in identification.

#### **Private Nonprofits**

Entities may be formed as nonprofit corporations. We consider an entity to be a private nonprofit if it is organized as an Internal Revenue Code Section 501(c)(3) and the simple majority of its board is private. The entity may be able to issue federally tax-exempt debt through a public entity or have public reporting requirements, but it is usually still considered private. It is possible,

however, that an entity created as a 501(3)(c) with a majority of its board private could be ruled to be governmental if there is some overwhelming evidence of responsibility to the public or governmental authority. (Note that private nonprofit corporations may issue federally tax-exempt debt only through a public entity. If an entity can itself issue federally tax-exempt debt, it is public.)

### **Popular Election**

As mentioned above, popularly elected means the electors represent everyone legally entitled to vote in a governmental area, congressional district, or standard taxing district. Usually, election by corporation members, property owners, or stockholders would not include everyone legally entitled to vote in a governmental or benefitted area or a taxing district. Also, election by public officials is not popular election. Popular election is necessary to prove governmental authority. However, election by a select group of corporation members, property owners, or stockholders (benefitted citizens) is evidence of administrative independence.

Election by benefitted citizens is in keeping with representation for taxation. The benefitted citizens are voluntarily taxing themselves and are selecting representatives from among themselves. Because of the manner of selection, these representatives do have administrative independence.

The difference between a private entity with a board elected by benefitted citizens, such as a private homeowners' association, and a public entity with a board elected by benefitted citizens is the public entity will have revenue powers established by the authorizing legislation.

Thus, we sometimes have the following situation: An entity has a board elected by property owners, no public reporting requirements, and the power to set special assessments (taxes) as established by the authorizing legislation. It does not have governmental character based on responsibility to the public because the officials are not popularly elected and the entity has no public reporting requirements. It does, however, have governmental character based on the power to set taxes as established by the authorizing legislation. Having established governmental character, we look at the autonomy of the entity. Because it can set taxes, it has fiscal independence. Because it has a board that is elected by the benefitted citizens and independent of any other government, it has administrative independence. The entity is a special district.

### **Public Debt for Private Purposes**

The bond-issuing authority of a government or dependent agency can be used for funding private sector activities, including debt that is backed solely by the private organization. This debt may be tax exempt or taxable and backed by the government or not. Such debt is assigned to the government whose bond-issuing authority was used to secure the tax-exempt status or, in the case of taxable debt, was used for its issuance. The government, however, may not consider the debt to be its own.



Examples of private sector activities so funded include industrial and commercial development, ports, pollution control, housing and mortgage loans, private hospital facilities, student loans, sports stadiums, convention centers, and shopping malls. Public debt for private purposes such as infrastructure is sometimes issued to entice corporations to move to a state or county.

## **Miscellaneous**

The following information may assist you in making a determination:

- Sometimes an entity will be private, but the property goes to the state or local government if the entity dissolves. This is usually not a factor in the decision.
- If the majority of the board consists of public representatives, this is evidence of responsibility to the public. The entity may be able to issue stock, but this is not a factor in the decision.
- Tracking the flow of funds can affect classification. For example, if the city reports ownership of a corporation's assets in its audit reports, we may consider the entity public.
- Sometimes we have little information for basing a decision. Examining the retirement system may help. If the entity participates in a state or local government's retirement system, it is public.
- Finding out which entity signs the paychecks, keeps the books, and leases the property may show who has control.
- When the entity cooperates with a private management company, partitioning of the responsibilities must be made. For example, hospitals are often owned by a local government but run by a private company. The finance survey would collect the lease payments, and the employment survey would drop this entity.

## **Independent Versus Dependent**

Our second determination is if an entity or class of entities is independent or dependent. If it is independent, it is a government (special district). If it is dependent, it is an agency of another government.

Special districts are independent (have administrative and fiscal autonomy) of the creating state, county, or municipal government(s). The geographical area they serve is specified in the

authorizing legislation and not limited by political boundaries. By contrast, if we classify an entity or class of entities as a dependent agency, we specify whether the parent government is the state, county, municipality, town or township, another type of government, or two or more governments. Dependent agencies serve within the same area as the creating government.

## **Revenue Powers**

When we are looking for evidence of fiscal independence or dependence, we are primarily looking for revenue powers. Revenue powers include the power to set taxes, issue bonds, or fix and collect fees. However, fiscal autonomy also exists if the entity or class of entities can determine its own budget. Sources of funding that would give this power include:

- revenue from taxes set by state law
- property taxes set by petition and voter approval
- the power to determine the funds to be contributed by participating governments
- substantial revenue from the sale or lease of properties
- revenue from a special state fund into which specified proceeds are paid
- cost sharing by the participating governments established in the creating agreement - usually on a per capita or some other pro rata basis

Generally, the fact that the creating/controlling government issues bonds or sets and levies taxes for the entity does not detract from any revenue powers the entity holds. If, however, the entity receives little income from its revenue powers or other sources and is substantially dependent on these bond issues or tax levies, then the entity does not have fiscal autonomy. For example, a library district may have as its sole revenue power the ability to set and collect fees. Fees for a library would result in little income. Also, if an entity has no start-up capital without a bond issue from the creating government, then the creating government has control.

When defining governments, we primarily look at funding. One Governments Division objective is to account for all public sector financial activity. Whether sources of revenue create independence or dependence is the most important factor in determining a classification. However, all of the criteria - evidence of public accountability, existence as an organized entity, and evidence of administrative independence - must be considered.

Independence generally

Special districts are governments. They may have independent revenue powers so they can act independently; for example, they may levy special assessments or issue bonds. Or they may determine their own budget, that is, the budget does not require statute-specified approval by another agency and cannot be amended by another agency. This is explored further later in this chapter.

#### Dependence generally

Dependent agencies are not governments. If the revenue powers require another government's approval, then the entity is dependent. Dependent agencies often receive most of their funds from the creating government. For budgets, look for specific approval required in the statute or budget-amending powers by the governing agency. This also is explored further later in this chapter.

There are controls and factors that must be considered if they exist. Also, classifications can be affected by the difficulty the surveys may have in accounting for the flow of funds between entities. We recognize the classification per Governments Division standards first and then consider the classification for data collection purposes.

#### **The Classification Worksheet and Autonomy**

You use the following classification criteria to determine if an entity or class of entities has fiscal and administrative autonomy. These criteria appear on the classification worksheet. If an entity or class of entities does not have evidence of both fiscal and administrative autonomy, it is dependent.

##### Fiscal independence - determine budget without review and detailed modification

If an entity or class of entities can determine its own budget but has no revenue powers and relies on one or two governments for its funding, the entity or class of entities is probably a dependent agency or joint dependent agency. However, if the participating governments are required to make contributions as determined by statutory formula or if the board determines the contributions of each participating government (see the discussion on revenue in this chapter), this effectively means the entity or entities determine their own budget.

If the entity or class of entities has no revenue powers and is relying on several governments for its income, the entity or class of entities may be a special district. Having several sources of revenue gives the entity a degree of autonomy.

The fact that a state routinely approves all local budgets does not affect an entity's or class of entity's status as a special district.

Taken alone, the fact that an entity's budget is listed in another government's audit (for example, as a discretely presented component unit) does not affect the entity's status as a special district by Governments Division standards.

Fiscal independence - determine taxes to be levied

The issue is who has the power to set the taxes:

If the entity's trustees determine the amount and the county supervisors levy it, this is the same as the entity levying the taxes. If the county can raise and lower the taxes, however, then the county has fiscal control.

If the tax funding the entity is set by legislation, check the code for who controls the tax. A tax rate determined by the entity itself or by the voters indicates fiscal independence. A tax rate set by the city or county indicates fiscal dependence. If the tax rate is set by the state legislature, then look at the administrative characteristics of the entity. In the absence of state administrative control, the entity would tend to be fiscally independent.

Fiscal independence - issue debt without review

If an entity or class of entities can issue debt without statutory or regulatory limit, the entity or class of entities is considered to have fiscal independence. The bulk of the entity's funding may, in fact, come from the creating government or governments, but this is not evidence of dependency if the entity can issue unlimited debt such as revenue bonds. This is because the entity has its own potential source of funding and does not have to rely on the creating government. Voter approval of a bond issue does not affect autonomy.

If the entity or class of entity is forbidden from issuing its own bonds, but bonds can be issued in the creating government's name - these bonds require the creating government's approval. If, however, the local government's governing body issues debt in the name of the entity, this is the same as the entity issuing the debt.

The Census Bureau's concept of public debt is an inclusive one covering general obligation bonds, revenue or earnings bonds, notes, interest-bearing

short-term warrants, special assessments, mortgages, and judgments. It includes public debt for public improvements (roads, sewers, airports, and so forth) and public debt issued for the direct benefit of the private sector (industrial development, mortgage revenue, pollution control, and so forth).

Public debt consists of all interest-bearing short-term credit obligations and all long-term credit obligations incurred in the name of the government and all its dependent agencies, whether backed by the government's full faith and credit or nonguaranteed. It includes tax exempt as well as taxable public debt.

Fiscal independence - fix and collect charges for services or facilities

We make little distinction between enterprises that receive revenue from levying taxes or issuing bonds and those that receive revenue from service charges. You do need to consider whether the income will be substantial or minimal.

Administrative independence - governing body that is popularly elected or elected by benefitted citizens

For elected officials to be evidence of administrative independence, they can be elected popularly or be elected by the benefitted citizens. Benefitted citizens are usually a group that represents only a portion of a governmental area or taxing district, such as property owners in a selected area. This is different from the criterion for elected officials when looking for evidence of governmental character. For elected officials to be considered evidence of governmental character, they must be popularly elected.

Administrative independence - governing body representing two or more state or local governments

If the local governments recommend board members and the governor appoints them, that is a governing body representing the local governments.

If the governor selects the board members, but the local governments must approve some of them, that is a governing body representing the local governments.

If the law requires that the governor select appointees from local officials, that is a governing body representing the local governments.

If the law indicates that the board may represent more than one government if others choose to join, we assume that this is evidence of administrative independence.

Administrative independence - even if the governing body is appointed, the functions essentially differ from and are not subject to specification by the creating agency

Entities qualify for this criterion if they do not perform an essential function (courts, fire protection, general police protection, administering the building or maintenance of government offices, or administering government finances) and they own property, that is, own facilities or land or have a substantial investment in equipment. See Appendix M for information that will help you determine if an entity or class of entities meets this criterion.

Entities created by the state and having a state-appointed board are intrinsically state in nature and, thus, do not meet this criterion.

If all of an entity's funding is from the creating government, then the entity's functions are effectively subject to specification by the government.  
If an entity's board is all ex officio, then the entity's functions are subject to the specification of the creating government.

### **The Classification Worksheet and Controls and Factors**

You looked for evidence of fiscal and administrative autonomy. If the entity or class of entity is missing either or both, it is dependent. If the entity or class of entity has evidence of both fiscal and administrative autonomy, it could still be dependent if the creating government or governments have control over the entities they create. Once you determine that an entity or class of entities is dependent, you must determine which government or type of government the entity or entities is dependent on, respectively.

Dependent agencies have certain governmental characteristics, existence as an organized entity and governmental character, but are subject by law to administrative or fiscal control by another government. If any of the dependent agency characteristics on the classification worksheet apply, then the entity or class of entities is dependent. These characteristics (or controls) are:

- Control of the agency by a board composed wholly or mainly of parent government officials (does not apply if the agency has two or more parent governments and considerable fiscal autonomy)

- After agency debt is repaid, properties and responsibilities revert to the creating/ controlling government (does not apply if the property reverts to more than one government)
- Approval of agency plans by creating/controlling government required\*
- Legislative and executive specification of type and location of agency's facilities to be built and maintained\*
- Control by the agency over facilities that supplement, serve, or take the place of facilities ordinarily provided by the creating/controlling governments\*
- Dependence on all or much of revenue from appropriations, allocations, or bond approvals made at the discretion of the another government\*
- Approval or oversight (review and detailed modification) of agency budgets by a local or state government.\* County review related to statutory limitations on tax rates is not a lack of autonomy
- Board members serve at the pleasure of the creating/controlling government\*
- Entity can be dissolved by creating/controlling government(s) at any time (does not apply if dissolution is allowed only when debt is repaid or property is disposed of)

\*On the classification worksheet, you will see asterisks next to these controls indicating you should refer to the following discussion.

Generally, the more governments that participate, the less control any one government has. For example, if two or more counties are participating and they all have budget approval, it is unlikely that any one county has real control.

If two or more controls are present, however, the case for dependency strengthens. For example, if two counties create an entity and both have budget approval and the board members serve at the pleasure of the creating governments, this would probably be a joint dependent.

Elaborating on the criterion “after agency debt is repaid, properties and responsibilities revert to the creating or controlling government (does not apply if the property reverts to more than one government)”:

The idea behind this is the creating government is adding this clause to the legislation to give itself control. The creating government could dissolve the entity and create a new entity to perform the function, giving the property and responsibilities to the new entity.

Some laws specify that the property goes to the property owners in the service area or to a private nonprofit organization. If the law does not state where the property goes upon dissolution, the disposition of the property may be decided by the courts.

As mentioned in the criterion, the criterion does not apply if the property reverts to more than one government. The criterion also does not apply if dissolution requires a referendum (requirement of a referendum takes control away from the creating government). Also, while this criterion is almost absolute for state entities, there is more leeway for local entities. Intent is always an important factor.

Elaborating on the criterion: “legislative and executive specification of type and location of agency’s facilities to be built and maintained”:

Entities that perform a governmental function can be assumed to be subject to this control.

Elaborating on the criterion “dependence on all or much of revenue from appropriations, allocations, or bond approvals made at the discretion of another government (does not apply if relying on revenue from two or more governments)”:

There are exceptions to this rule:

- Where the entity (or entities) is initially dependent on funding from another government but the legislation provides clear intent that, after an initial period of financial support, the entity is to become self sufficient.
- The entity (or entities) has substantial independent revenue powers (can levy taxes or issue bonds or expects significant income from fees) but is not using them. Having revenue powers is evidence of independence; exercising revenue powers is not a requirement for independence.
- If an entity (or entities) has no revenue powers and is relying on two governments for its income, the entity (or entities) is probably a joint dependent. If the entity (or entities) has no revenue powers and is relying on several governments for its income, the entity (or entities) is probably a special district. Having several sources gives the entity (or entities) a



degree of autonomy.

Elaborating on the criterion: “Dependence on all or much of revenue from appropriations, allocations, or bond approvals made at the discretion of another government (does not apply if relying on revenue from two or more governments)”:

The fact that a government backs the bonds issued by the entity may influence the overall picture (to suggest dependence) but is not a factor on its own.

The fact that a government sets/levies taxes or issues bonds for the entity is of no importance if the entity has its own revenue powers or independent sources.

Elaborating on the criterion: “Board members serve at the pleasure of the creating government (does not apply if two or more governments are participating or if the majority of the board is elected)”:

The fact that the appointing government can fire a board member *for cause* is of no importance. “For cause” usually means neglect or abuse of duty. Sometimes “for cause” must be defined by the courts.

In addition to the controls, there are factors that may suggest that an entity is subject to administrative or fiscal control and, thus, may be dependent on another entity:

- If property is held in the name of the creating/controlling government.
- If the entity can only sell property with permission of the creating/controlling government.
- If the creating/controlling government is responsible for funding deficits.
- If surpluses revert to the creating/controlling government.
- If the creating/controlling government can amend the articles of incorporation for the entity.
- If salaries are fixed by the creating/controlling government.
- If the creating/controlling government issues the paychecks for the entity. These are cooperative ventures.
- If the entity uses a state fund, indicating that it is tied to the state finances.

All of these clues must be considered in light of all other information about the entity or class of

entity.

Elaborating on the factor: “If surpluses revert to the creating/controlling government.”

Some entities are created for the sole purpose of generating revenues for the participating governments. For example, the regional off-track betting corporations in New York, racing commissions in Alabama, or the land bank authorities in Georgia were created for this purpose. (The land bank authorities in Georgia are a more efficient way of selling tax-delinquent property.) All of the surpluses for these entities goes to the participating governments. These entities are dependent by nature.

Elaborating on the factor: “ If the creating/controlling government can amend the articles of incorporation for the entity.”

This is similar to changing the state law authorizing an entity. Usually when this factor is present, other controls or factors are also present. By itself, this factor is of no significance.

### **Special Acts and Blanket Classifications**

For states with many similar special acts for particular types of entities, we may make blanket classifications. In other words, we may decide that all entities of a particular type that are created by special act in a particular state are classified one way (either as special districts, dependents, or joint dependents). Reasons for such a decision include consistency and difficulty obtaining copies of the special acts.<sup>7</sup> These entities are usually ruled to be special districts, which is in keeping with the finding that such entities typically report independently.

### **Classification and Joint Powers Agreements**

Laws authorizing joint powers agreements may leave all of the particulars of the agreements to the creating governments or the law may give specific powers but allow other powers and controls to be decided by the creating governments. We look at the powers given by the state law, sources of information available on these agreements, and the patterns of reporting for these entities to either rule that each entity will be classified based on the particular agreement or to make blanket classifications. Entities created as nonprofits, however, are usually classified as dependent agencies. The fact that an entity is a nonprofit takes precedence over the type of entity it is.

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<sup>7</sup>Note, however, that the Internet has greatly increased our access to special acts.

## **State Versus Local**

If you determine that an entity or class of entities is dependent, you must determine whether it is dependent on a state or local government.

Subdistricts, such as conservancy districts or improvement districts, created by a special district are subordinate agencies of the special district. These are usually easy to identify and no discussion of these is provided.

### **State Guidance**

All local government is guided by the state. The state writes the laws that say which classes of entities the local governments may create. The state may supervise local governments or local employees. For example, judges are usually state employees. They direct county employees such as clerks and juvenile detention officers.

The state might place controls on an entity or class of entities that are not intended to make the entity or entities state dependent but, instead, to control the local government in charge of the entity or entities. For example, the state may give itself control of the sites for tuberculosis sanitariums because local preferences might be detrimental to the state as a whole. As another example, the state may place controls on county-created water districts to safeguard the water supply for the state as a whole.

### **State Constitutions and Classification**

State constitutions override the powers of the state legislatures. Generally, only the people can change the provisions of a state constitution and the state legislature is bound by all constitutional provisions. Most counties are laid out in some manner in the state constitution; this is one of the main reasons counties are considered to be independent governments. In some states (Alabama for example), many local entities are created through the state constitution and, thus, cannot be legislated out of existence by either the state or local governments.

### **Entities That are Intrinsicly State in Nature**

As a general rule, if the state creates an entity and the entity is governed by a board appointed by state officials, it is state dependent regardless of any and all fiscal autonomy. Keep in mind that because the state created the entity, the state can abolish it (unless the law provides that dissolution requires a referendum).

There are exceptions where traditions or existing government relationships affect classification. For example,

- Entities with boards appointed by the governor but serving a specific area

and possessing local revenue powers may be special districts. (See Louisiana and South Carolina in the appendix on state characteristics affecting classification.)

- Board members appointed by the state legislative delegation for the area are considered to be state appointees; this does not, however, preclude us from classifying an entity or class of entities as local. (See South Carolina in the appendix on state characteristics affecting classification.)

Also, a board appointed by the governor from a list of nominees provided by the local governments is considered to represent those governments.

State-wide special districts are rare. There may be only one state government for each of the 50 states by definition. State-wide special districts imply the creation of a government that is equal in coverage to a state government. State-wide special districts usually have either significant local control or specific dissolution provisions that distribute the property to the stakeholders (which can include local governments) in the district rather than the state government.

### **The Controls and Dependency**

Usually, determining if an entity or class of entities is state or local is straightforward. For state entities, there is typically no local involvement. For local entities, the authorizing code will typically read something like “the governing authority of any county in the state is authorized to create x districts.” For these local entities, the legislation may later say something like “each x shall be a body politic and corporate and a political subdivision of the state,” but this is only establishing that the entity or class of entities is public.

Do not, however, assume that an entity is state or local based on the above. Examine the legislation creating the entity or class of entities to determine if control by a particular government is present. When completing the classification worksheet, if *only one* of the following factors is present, the board is as stated:

- the entity’s board is composed mainly of officials from the (one) parent government - that one government is the controlling government
- after the entity’s debt is repaid, entity properties and responsibilities revert to the (one) creating or controlling government - the government receiving the assets or duties is the controlling government
- approval of entity plans by (one) creating or controlling government is required - the government giving approval is the controlling government

- dependence for all or much of revenue on appropriations, allocations, or bond approvals made at the discretion of another (one) government - the government making the appropriations or allocations is the controlling government
- approval or oversight (review and detailed modification) of agency budgets by another (one) local government - the government with oversight is the controlling government
- the board members serve at the pleasure of the (one) creating government - the government with the power to dismiss the board members is the controlling government
- the entity can be dissolved by the (one) creating government at any time - the government with the power to dissolve the board is the controlling government

### **The Hierarchy of Control**

You will, however, often find a mixture of dependent agency characteristics to consider and shared control between the state and local governments. The following hierarchy of criteria will help in determining whether an entity or class of entities is state or locally dependent:

- Criterion 1. The sources of funding is the most important factor. When an entity receives most of its funding from one source, the source outweighs board composition or rights of approval. Local funding outweighs a state appointed board or state approval of the bonds, budget, plans, contracts, or projects. Conversely, state funding outweighs a locally appointed board or local approval of the bonds, budget, plans, contracts, or projects. This criterion, sources of funding, outweighs the following two criteria.
- Criterion 2. Bond approval or tax levy approval is crucial to funding. The power to approve bonds or tax levies outweighs the board composition and the power to approve the budget, plans, contracts, or projects. The sources of funding (above) outweighs bond/tax levy approval rights, but bond/tax levy approval rights outweigh the power given to local governments (below).
- Criterion 3. Power given to the local governments has more importance than power given to the state. A board that represents the local governments outweighs the fact that the property reverts to the state upon dissolution. The fact that the property reverts to the city upon dissolution outweighs a state-dominated board or state approval of budget, plans, contracts, or projects. Local approval of budget, plans, contracts, or projects outweighs the board composition whether state, multijurisdictional, or

elected. Sources of funding and bond/tax levy approval rights (above) outweigh this criterion.

Additional clues for determining whether an entity or class of entities is state or local:

- If a locally created or locally governed entity has a lease-purchase agreement with the state, the entity is state dependent. The state assumes a major responsibility for issuing and servicing the debt. The properties of the entity revert to the state when the debt is paid.
- If a locally created or locally governed entity must apply to a state board of directors for authorization to exist and has powers only as provided by the state board of directors, the entity is state dependent.
- If a locally created or locally governed entity receives substantial state supervision and control per the authorizing legislation and substantial state contributions of employees and finances, the entity is state dependent.
- Voter approval statewide of bond issues or tax levies indicates the entity has state character. Voter approval within a specified area indicates the entity has local character. Of course, any other controls must be considered.

### **Joint and Interstate Dependents**

You also will sometimes need to determine if an entity or class of entities is dependent on one government or two. This latter situation is called a joint dependent agency (joint county-city dependent, joint county-county dependent, or joint city-city dependent). If both the governments are represented on the board and contribute funding and there are no special administrative or fiscal controls, the entity or class of entities is joint dependent. If, however, there are special controls such as one creating government has the power to approve the budget or the property reverts to one of the creating governments upon dissolution, that one government is the parent government.

For joint dependent agencies and also interstate agencies (interstate agencies are discussed in Appendix K), we need to determine which local government to assign the data to. Usually, we assign joint dependent agencies and interstate agencies to the county or state where their headquarters are. Where there is no headquarters address but the administrative or fiscal relationships necessitate classifying an entity as an interstate agency or joint dependent agency, assign it to one of the participating governments based either on population or percentage contribution of funds.

For agencies established under interstate compact or interstate joint authority agreements, ideally

list only those agencies with a headquarters office address as interstates. Consider interstate entities that are administered by separate agencies in each state, rather than by a single interstate agency, to be state agencies. Also, these two agencies are considered to be dependent on the State of New York: the Buffalo and Fort Erie Public Bridge Authority and the Odgensburg Bridge and Port Authority (the headquarters of both agencies are in New York.) International entities must be headquartered in the United States to be listed.

When trying to determine which creating government to assign a joint dependent agency, a complicating issue is the number of votes for each participating government versus the funding input of each. The governments may have an equal number of votes, but the funding may differ greatly by participating governments. It is helpful to see the state attorney general's opinions. Governments Division may need to create a rule for handling these.

For joint dependent agencies and interstate agencies, governing body members and agency employees are employees of the local government or state governments they represent. In the two instances where the agency headquarters are not in a signatory state, the Atlantic States Marine Fisheries Commission and the Interstate Pest Control Commission, assign the employees to Maryland (the signatory state that is closest to the Washington, D.C., headquarters of the two agencies).

## **Rulings for Data Collection Purposes**

The fundamental jobs in our office are to perpetuate a classification system and maintain a directory of governments through the identification of governments. The fundamental job for the rest of the division is to collect data for these governments. The division exists for the purpose of collecting these data. Thus, the ultimate purpose of our job is to collect data. Nonetheless, data collection and classification are two different and distinct activities.

To provide an accurate classification of governments, we analyze an entity's or class of entities' authorizing legislation to determine if it meets the Governments Division standards of a government as contained in the definition of a government. The survey staff, however, need to collect data using the governments directory that we have created. This is why, in some states, we have ruled that certain dependent agencies are special districts for data collection purposes. This is usually to make data collection or data presentation easier, particularly for entities serving more than one government, that is, joint or regional entities. A large joint or regional entity assigned to one county would distort the data for that county. Other reasons for exceptions to pure classification include accommodating local attitudes and sample issues.

To illustrate, the municipal authorities in Pennsylvania are all dependent agencies by Governments Division standards but have been ruled to be special districts for data collection. Another example is only dependent entities that are regional may be considered special districts for survey purposes. In these latter cases, similar entities serving one local government are classified as dependent agencies.

When you issue a ruling where the classification is based on data collection, make this clear in the ruling. You also will need to make Volume 1 clear as to the classification of these entities. In addition, we may begin identifying these entities in the database and would need this information.

## **Rulings Accommodating Classification Issues**

Some entities, such as the various types of municipal improvement districts in Arkansas, are ruled to all be special districts because we cannot identify which are really special districts and which are really dependent agencies. If we cannot classify every entity in a group individually, then we classify them as a group for logic and consistency (called blanket classification). This contributes to a cohesive system comprehensible to our data users. Note that this is a classification issue, not a data collection issue.

For these, be clear in the ruling that the classification is accommodating classification issues.

## **Additional Analysis of the Classification Decision**

In completing a classification worksheet, you will make the appropriate selections concerning governmental character, autonomy, and controls and complete the sections on area served, method of establishment, function, governing body, and additional authorized financing methods. For most rulings, the classification will be clear at this point.

For more complicated rulings, you will have to weigh the indications of autonomy and control or consider unusual situations. You should consider how entities of the same type are classified in other states. You also should consider a state's general preference for special districts or dependents to help determine the intent. For these more involved rulings, document your thinking in the additional analysis section. It is important that the complete analysis and all considerations be documented on the worksheet. The analysts who follow you will need to understand your decision. Future studies will rely on this information.

## **Issuing Classification Rulings**

### **Determining if an Entity is Active**

All governments are added to the governments directory if they are active. Dependent agencies are added if they are active and if the survey staff requests that they be added to the directory. If you issue a ruling that finds an entity to be a government, determine if the entity is active before adding it to the governments directory.

Check the following sources:



- Internet
- state budgets and financial reports
- Lexis news
- telephone listings
- the state department or local government creating or having some oversight over the entity
- Mergent's Municipal and Government Manual
- relevant directories such as state or association directories

A governmental unit is considered inactive if it has no activity, receives no revenue, and has no officers currently. Withdraw these units from the directory. Do not withdraw entities that have bonds outstanding. The survey areas may, however, want to remove entities with bonds outstanding but no activity or employees from their surveys. An entity may have bonds out in its name but be dissolved if another government picked up the debt. In this case, it is inactive.

If an entity is temporarily inactive, there may be a board but no activity. Keep it if it was listed previously, but do not add these cases.

For counties, municipalities, and town or townships, we can check with the Boundary and Annexation Survey (Geography Division).

## **Documentation**

It is important for each ruling to be thoroughly researched and documented because it may have a substantial effect on the coverage and consistency of the Census Bureau's public sector statistics. We must document our research and the reasons for our decisions so the rulings will stand up to scrutiny and so there is a logic to the rulings.

1. Complete a classification worksheet (Appendix D) or create documentation covering all of the same information. The advantage of the worksheet is it makes the criteria clear and will organize your thinking. The classification worksheet is based on the definitions of governments and dependent agencies described in the chapter "Government Defined." The worksheet analyzes the attributes of the entity or class of entities compared to the standards for government classification as contained in the definition of a government. It also clearly identifies controls and indicates whether the controls affected the decision.

Complete documentation ensures that all aspects of the classification were considered. Consistent documentation of all information relevant to classification will enable studies such as classifications by function code across states.

2. Attach copies of special acts or session laws. These acts and laws often do not become part of the permanent state code. Future analysts will need this documentation for verification and to build upon when similar entities are created. You also want to either note or make copies of other documentation that influenced your decision. Ideally, future analysts should be able to recreate your research.
3. Complete a classification rulings form (Appendix C). Full documentation of the decision is needed.

Note whether you are examining a general law or special acts. (This is important because similar entities may be created under general law and special acts. They may, however, have different classifications.)

Clearly state the issue in the ruling or the reason for the ruling.

Clearly state the decision, that is, state that the entity or class of entities is county dependent, a special district, or whatever is appropriate.

If the reasoning involves more than basic analysis, add this to the ruling. (This information should also appear in the “additional analysis of the classification decision” box on the classification worksheet.) For some simpler rulings, you may wish to note a key point.

Attach the classification worksheet(s) and other supporting documentation.

The next sections describes the specific steps for completing and issuing a classification ruling form.

4. Place a note in the legislative research files so it will be included during the update of Volume 1 if a ruling results in a change or addition to Volume 1.

### **Completing the Classification Rulings Form**

1. Go to the electronic rulings, find the state file, and complete all relevant blocks of the form.
2. Add the file id (item 23). The file id consists of the state abbreviation, the year, and a three-digit chronological sequence number; for example, CA-2002-005. Sequencing begins at 001 each year in each state.
3. Enter your name in item 20 as the reviewer and the branch chief's name as the second reviewer.
4. Print a copy.
5. Attach the classification worksheet or similar documentation. Attach copies of all relevant legislation for session laws and special acts.
6. Initial or sign your name. Forward the ruling to the branch chief for approval and signature.
7. Obtain any other necessary approvals. The concurring signature is used only where there is a complex or potentially controversial ruling where consultation with other branches is necessary before a ruling is issued. For routine rulings, such consultation is not used.
8. Email a preliminary (draft) ruling to the division and to your fellow branch members (see distributing classification rulings below) for comments concerning data collection. Indicate in the email that the ruling will be on the agenda for the next classification review meeting. These meetings are held periodically.
9. If changes are needed after the classification review meeting, revise and reissue the ruling.
10. Update the rulings index. Add the subject information from item 7 of the form and the ruling number (item 23).
11. Enter the ruling number in the governments directory's rulings field for all affected entities.

### **Preruling, Finalizing, and Distributing Classification Rulings**

Email a brief preruling notification to the list below and the classification staff. Be clear in your message that this is a preliminary ruling that will be on the agenda for the next classification review meeting.

Keep the email notification brief. Include the ruling number, a short statement describing the ruling, the identification numbers of any affected entities, and incorporation or disincorporation dates if applicable. If you completed a classification worksheet, attach a copy. If you do not attach a classification worksheet, briefly explain the ruling in terms of the standards of government classification as contained in the definition of a government.

Email everyone in the Finance and Employment branches. (In Lotus Notes, this is GOVS PFAB-A, GOVS PFAB-B, and GOVS Employment Branch.)

Email the other branches if their work is affected by the ruling. Rulings involving:

- public school systems - to Sharon Meade of the Elementary and Secondary Education branch
- courts, correctional institutions, or law enforcement - to the Criminal Justice Statistics branch
- federal agencies or institutions - to the Federal Programs branch

Post your ruling to the branch electronic files on server 05 in the folder: /research tools/rulings. Place the printed and signed copy of the ruling in the classification rulings folder. Place a note in the legislative research folder if the information will be needed when updating Volume 1.

## Chapter 6. Volume 1 Individual State Descriptions

### Introduction

Volume 1 serves the unique purpose of identifying types of governments and dependent agencies as classified by Governments Division standards. It is high level and is kept as succinct as possible.

Volume 1 is a list of laws authorizing governmental entities, not a list of entities. (The governments directory is the list of entities.) We identify the law by naming the class of entities authorized or the single entity authorized. For many of the laws listed in Volume 1, no entities are active.

All directory research, legislative research, and classification rulings feed into Volume 1. Volume 1 lists and describes all special districts for each state, describes the local governments and public schools, describes public colleges that are not state dependent, and lists selected state and local dependent agencies with descriptions for a few.

Once every five years (in conjunction with the census), after an intensive round of directory research and legislative research, we update the state descriptions in Volume 1. We also incorporate the counts from the census (by adding up the entities by type in the governments directory) into Volume 1 and issue the publication.

These are the basic procedures:

1. Check the legislative research folders for notes on information that needs to be incorporated into Volume 1. Check the classification rulings for entities or classes of entities that need to go into Volume 1.
2. Update Volume 1 using the information. Add references and descriptions as appropriate for the new entities or classes of entities.
3. Print lists of active special districts for each state by function code from the governments directory. Print a copy of the Volume 1 draft.
4. Reconcile the directory lists to Volume 1.

Notate the Volume 1 copy to indicate which entity or entities on the directory lists correspond to the entries.

Notate the directory lists to indicate which entry in Volume 1 applies.

5. Update Volume 1 based on your reconciliation. Add statements to the Volume 1 descriptions (the electronic draft) to indicate if no entities of the class are active, the legislation was repealed, and so forth. Remove references to entities that no longer exist or never came into existence. Update lists of specific entities.
6. If, during the reconciliation, you find entities in the governments directory that are not covered by Volume 1, conduct legislative research and issue a classification ruling prior to adding references for the entities to Volume 1.
7. For additions to Volume 1, annotate the Volume 1 copy with the numbers of the classifications rulings.
8. Give the completed annotated directory lists and annotated/updated Volume 1 drafts to the branch chief for review.

The following sections describe the details of updating Volume 1.

## **Reconciling Volume 1 to the Governments Directory**

After you have conducted directory research to (primarily) update the governments directory and conducted legislative research to (primarily) update Volume 1, reconcile the governments directory to Volume 1. For each state, print a list of special districts by function code from the governments directory. Print a copy of the draft of the Volume 1 state description. For each state, compare the directory list to the Volume 1 draft. Remember to read through the whole state description in Volume 1 during reconciliation, many entities have similar names or can be classified as either a special district or a dependent agency depending on certain criteria.

Be sure to read the descriptions in Volume 1 as you conduct the reconciliation. For example, the description might say "only two boards organized under this law - the Y Board and the Z Board - are counted as special districts." If you have other entities of this class in your special district listing, determine if they should be added to the description in Volume 1 or if they should be disincorporated.

You will also want to look over the list of dependent agencies in the governments directory for each state. If Volume 1 indicates that an entity is a special district but the directory identification number indicates it is a dependent agency (or vice versa), conduct research to determine the correct nature of the entity and make corrections.

If the last publication of Volume 1 states that the legislation was repealed or if an entity was described as not active and is still not active, see the section on repeals and inactive entities later in this chapter for additional instructions. An asterisk in the instructions below indicates when this may be applicable. See Appendix N for Volume 1 terminology.

## Entities individually named as a heading in Volume 1

For each special district individually named in Volume 1, try to find the entity on the directory list and pencil the id next to the entity's name on the Volume 1 draft (do not key the id into the electronic draft).

For the special districts that are individually named in a heading followed by a description, follow these rules:

- If the entity is not on the directory list, add a statement to Volume 1 (the electronic draft) indicating that the entity is not reported active or that the legislation was repealed, as appropriate.\*
- If the entity is disincorporated per the directory list, add a statement to Volume 1 indicating that the entity is no longer active or that the legislation was repealed.\*
- If the entity is on the directory list (and not disincorporated) but the Volume 1 description says it is not active, that means the entity has become active since the last publication of Volume 1. Remove the statement indicating the entity is not active.

Some dependent agencies are individually named in the lists of state, county, and municipal dependent agencies (without descriptions). If the entity is disincorporated per the directory, remove it from Volume 1.

## Entities individually named under a class of entities heading in Volume 1

For each special district that is named under a class of entities heading in Volume 1, try to find the entity on the directory list and pencil the id next to the entity's name on the Volume 1 draft.

If the entity is not on the directory lists or is disincorporated, remove the entity from Volume 1.

If there are additional entities in the directory belonging to the class, add them to Volume 1.

## Entities described only by class in Volume 1

For classes of special districts in Volume 1, look for entities of the type on the directory lists.

Pencil a note on the Volume 1 draft if you find one or more entities for that class. If the legislation was repealed but entities continue to exist, state this in Volume 1.

If you find no entities for a class of entities on the directory lists, add a statement to Volume 1 indicating that no entities of this type are reported active or that the legislation was repealed\* as appropriate.

If you find only disincorporated entities on the directory lists, double check to see if a ruling changed the classification. If so, add an appropriate statement. If not, check to see if the legislation was repealed.\*

If there is a subdivision of the class of entities (for example, the description says that the following types of housing authorities are authorized followed by a list such as municipal, county, regional, and consolidated), you do not need to find entities for each subtype or make statements concerning the status of the governments directory for each subtype. When you conducted legislative research, you would have checked to be sure all of the subtypes were still authorized.

#### Entities in the governments directory not covered by Volume 1

Go through the directory lists and check off the special districts that are covered in Volume 1 either by being individually named or by being part of a class of entities. For the entities that are not covered, conduct legislative research and issue a classification ruling prior to adding them to Volume 1.

Ideally, when you found a new entity during directory research or from the censuses or surveys, you checked Volume 1 to be sure it was covered. If it was not, you conducted legislative research, issued a classification ruling, and wrote a note to the legislative research files to add the entity or class of entities to Volume 1. If you have been following these steps, you should not find any entities missing from Volume 1. You still need to conduct this final step as a double check to be sure you did not miss adding an entity or class of entities to Volume 1.



## Naming Versus Grouping Entities

Sometimes we name an individual entity in Volume 1, sometimes we give the name of the class of entities, and sometimes we lump entities created by special acts under one heading. The following explains which method to use for different situations.

### General law creating a class of entities

If legislation creates a class of entities, write a heading with the name of the class as presented in the legislation and then a description. Then, check for these situations:

- If there are exceptions in the law for particular entities, note this in the description and (possibly) name the entities involved.
- If a special act creates an entity of the type with similar provisions, state this, name the entity, and describe the differences.
- If most entities of the class are dependent agencies and only a couple are special districts, name the special districts in the (special district) class of entity description.
- Rarely, you may want to name a significant special district in the description for a class of entities.

### Special acts

If there is more than one special act with legislation that is virtually the same, write it up like a class of entities and name the individual entities. The description (whether for special districts or dependent agencies) must state that the entities are created by special act. If the list of entities becomes too long, it can be deleted.

If a special district or dependent agency was created by a special act and there are no special acts for similar special districts, individually name the entity as presented in the legislation. These special districts and the larger or more interesting dependent agencies will have a description.

As with all of our work, you need to decide what is most appropriate for any given situation and recognize when exceptions are called for.

## Format

All special districts receive descriptions in Volume 1, either by class or individually. A dependent agency receives an individual description if it has \$50 million or more in debt, is interesting or unique, or if it performs services that are performed by special districts in many states. Mergent's Municipal and Government Manual is a source for the amount of debt for an entity. Lesser dependent agencies are listed if you expect to run into them repeatedly. Listing other dependent agencies is a judgment call.

For special districts and larger (or interesting) dependents, list in the following order:

- authorizing legislation or activity (to the side)
- method of establishment, area served
- function (if not apparent)
- nature and manner of selection of governing body
- authorized financing powers (such as issue bonds, levy taxes, or fix and collect fees) and taxes levied or bonds issued by other governments on the entity's behalf (that is, financing powers exercised on the entity's behalf)

See Volume 1 for detailed instructions on the format for government descriptions. See the Appendix N, Volume 1 Terminology, for wording examples.

If an entity or class of entities has no financing powers, then list the major sources of income, particularly any that give the entity or entities fiscal autonomy. For example, the entity or entities may receive contributions from participating governments in accordance with the provisions of the authorizing agreement.

If the names for special districts and dependent agencies are similar or if an entity may be classified as either (usually due to the nature of selection of the board), a cross reference is created to indicate that the reader should look under both types of listings. Avoid mentioning specific entities by name in cross references to keep them short.

List areas as a footnote at the end of the state's chapter if they could be confused with a government or agency.

Subdistricts of special districts are not counted as separate governments. They are described in the same section with the special district but are listed as dependent agencies

Entities serving two or more states are usually listed under the state where the entity is headquartered.

More than one government may be able to create an entity, but not all such governments may be listed.

Note if the authorizing legislation gives latitude in the naming of the entity and, if so, give examples.

Noting the year various similar laws were enacted helps clarify that they are different laws.

Universities and schools for the handicapped are not mentioned in Volume 1. They are listed in the state dependent agency file and listings.

## **Repeals and Inactive Entities**

This section describes the various situations that can come up concerning repealed or inactive entities or classes of entities and how to deal with these situations in Volume 1.

Legislation is recently authorized, but the entity is not active yet or no entities have been created yet:

Unlike the governments directory, Volume 1 may list entities that are not active. Indicate if an entity or class of entity has been authorized but none are in existence as yet. See Appendix N, Terminology.

Legislation is repealed and the entity or entities are not in operation:

Example for a single special district: “Authorizing legislation for this authority was repealed in 1993. The Chipola Dormitory Authority was not reported in operation as of June 1997.” For the next census, drop the entry.

Example for a class of special districts: “Authorizing legislation for these districts was repealed in 1989. No entities of this type were reported in operation as of June 1997.” For the next census, drop the entry.

Example for several dependent agencies that were individually authorized: “Authorizing legislation for the following types of entities has been repealed: forest fire control districts (in 1993), Maine Forest Authority (in 1994), and Mountain Airport Authority (in 1992).” For the next census, drop the footnote.

Legislation for a class of entity is repealed, but entities continue to exist:

Example of a special district: “Local improvement districts to construct and . . . . After May 1, 1967, no districts of this type may be established, but those then in existence may continue to operate under the above provisions.” Keep the text as long as the entities exist.

Example for a dependent agency: “Authorizing legislation for neighborhood improvement districts was repealed in 1986, but existing districts of this type may continue in operation.” Keep the text as long as the entities exist.

Legislation for an entity or class of entity has not been repealed, but no entities exist:

If there are no entities for a class of entities and the law is more than 5 years old or if an individually authorized entity does not come into operation after 5 years, delete the reference if there have been no changes to the law during the past 5 years.

Example of a reference that should be deleted: “The Passamaquoddy District Authority was authorized by a 1945 special act. Although the authorizing legislation for this authority has never been repealed, the authority was last reported in operation in the 1982 Census of Governments.”

See Appendix N, Volume 1 Terminology, for additional suggestions on wording.

## **Reclassification/Name Changes**

For special districts, keep an entry for a census or two noting reclassification or name changes.

Example under the heading “Chatham Area Transit Authority”: “This authority is now classified as a dependent agency of Chatham County. See ‘Subordinate Agencies and Areas,’ below.”

For dependent agencies, use footnotes to denote such changes.

## Dates

For the state descriptions, we change the dates in the text to the date of the research for the benefit of the state reviewers. Later, when we add the survey counts, we change the dates to the census date.

## Counts

The results of directory research, legislative research, and the censuses and surveys feed adds and removals into the governments directory. After each census, we update the state ranks and government counts in Volume 1 using the governments directory. We review the descriptions for other last minute updates such as recent repeals.

## The Gregg Reference Manual

*The Gregg Reference Manual* is the bureau standard. The following covers basic grammar, punctuation, and capitalization that frequently arise in Volume 1. The rules are not as simple as presented here, but for Volume 1 these are the applications.

- "Federal" is NOT capitalized when stating that an entity or class of entities may receive federal funds because this is not "intended to have the force of an official name." If, however, the situation is that Maryland, Virginia, and the federal government are all cooperating to create a special district, then you would capitalize federal government.
- "State" is NOT capitalized (unless you are using the official title of a state)
- Capitalize Governor and Lieutenant Governor but no other state officials. (Gregg 313b)
- Capitalize official names of state bodies and their subdivisions. Do NOT capitalize their short form names. (Gregg 326) (Example: capitalize the "Ohio Legislature" but not the "legislature.")
- Do NOT capitalize common terms like police department, board of education, or county court. (Gregg 326)
- Use "that" when the following information is essential to the meaning of the preceding info.
- Use "which" when the following information is not essential to the meaning of the preceding info.

- Be careful when saying that some revenue powers are authorized with voter approval that you do not imply that all of the revenue powers require voter approval. For example,

These districts may issue bonds and levy taxes with voter approval - this construction means that both revenue powers require voter approval.

If you intended that only the levy of taxes requires voter approval, rewrite the sentence thus - These districts may levy taxes with voter approval and may issue bonds.

- Do use series commas. A series is at least three. Here is an example: five senators, two representatives, and one mayor.
- Deciding whether to use commas before an "and" (except for series commas):

subject verb object, and subject verb object    Yes.

subject verb object and verb object    No. Do not cut the subject off from its second verb and object.

Examples:

The water authorities have elected boards, and the water districts have appointed boards.    Yes.

The authorities may receive rentals and issue revenue bonds.  
No.

## **Chapter 7.      Organization of the Files**

### **Servers**

Governments Division server

The Governments Division share directory is on GOVS07.

Governments Directory server

The Governments Integrated Directory database is on GOVS06.

Classification staff server

The classification staff's files are on GOVS05.

### **Database Files and Web Links**

Governments directory

The governments directory is kept in a database format in Oracle. It is known as the governments integrated directory or GID.

Local governments portals and directories

Local governments portals and directories are available at GOVS05research tools/ local government portals and directories.

Office source database (Access)

This database is in GOVS05research tools/resources. One worksheet is for everyone to list all sources used during directory research. You should also create a worksheet for your states. This worksheet will be a valuable starting point for the next census.

Research status summary table

This excel worksheet is in GOVS05/research tools/state research status. It allows you to document your progress through directory and legislative research for each state. The branch chief uses this worksheet to monitor the office's progress.

## **Text Files**

We are beginning to scan some of this information into an electronic library.

### **Classification rulings (paper and electronic)**

These are the formal classification rulings. You will check this file when researching entities to see if a precedent has been created and when updating Volume 1.

Classification rulings are filed in folders (paper) and in GOVS05/research tools/rulings by state. The index is kept in GOVS05/research tools/rulings/index. Rulings from before 1998 are in the classification binders (paper) and GOVS05/research tools/rulings/history.

### **Courts (electronic)**

In GOVS05/research tools/courts, you will find the results of a project done for the Department of Justice. It is a listing of all state courts by state.

### **Depag files (electronic)**

These files contain lists of dependent agencies. The finance and employment staff use these files, particularly on field trips. We help update them. They are kept in GOVS07/share/govs/depag.

### **Directory research files (paper)**

These contain lists of special districts collected from state and national sources. These sources are worked every five years. The analyst working a source will want to pull the lists from the previous census to see if notes were left on particular entities. If so, the analyst may not need to repeat the research.

### **Directory survey (electronic)**

The directory survey materials are kept in GOVS05/peb surveys/directory survey.

### **G-24 survey (electronic)**

The G-24 instructions and other G-24 materials are kept in GOVS05/peb surveys/G-24.

### **Legislative research files (paper)**

These contain legislative research. These includes notes on updates for Volume 1 descriptions generated by legislative research, directory research, and classification rulings.



When you find a new entity or class of entity, you will check this file to see if legislative research has already been done.

#### Research requests (electronic)

Research requests and responses are kept in an electronic database.

#### State research status (electronic)

This folder contains status reports for individual states as well as the summary sheet listed under databases.

#### Volume 1 (electronic)

State descriptions for the 2002 census edition of Volume 1 are kept in GOVS05/research tools/02volume1. Descriptions for the previous census are kept in GOVS05/research tools/97volume1.

### **Forms (electronic)**

#### Classification worksheet

This form is available at GOVS05/research tools/manual/classification worksheet.

#### Classification ruling form

This form is kept at GOVS07/share/govs/ruling template for division use.

#### Research request form

This form is kept in GOVS07/share/govs/?

#### State research status worksheets

These forms are in GOVS05/research tools/state research status.

## **Chapter 8.     The Governments Directory**

### **Introduction**

The Governments Division's objective is to measure government finance and employment activity. The surveys measure government activity by collecting statistics for state and local governments and their dependent agencies. Before the division can measure government activity, the division must create a master list of all local governments.

This master list of governments is found in the Governments Integrated Directory (GID). The GID also contains the tables for some of the division surveys. The division uses the GID both as a name and address file (to mail questionnaires to respondents) and as a reference file (to supply information needed to process data) for the Census of Governments. The division also uses the GID as the basis for selecting samples of governments for surveys conducted in the years between censuses.

We update the GID through directory research, legislative research, and input from censuses and surveys. We add new governments, add dependent agencies needed for a survey, and withdraw dissolved or inactive units. We maintain the addresses and certain other information.

The GID lists all local governments including counties, municipalities, towns or townships, special districts, and school districts. The GID also contains a record for each state and records for some state and local dependent agencies that are needed for survey processing. For state dependent agencies, all higher education entities and retirement and other insurance trust funds are included in the GID. In addition to school district governments, dependent school systems are included in the GID.

More specifically,

- Local governments: We add all counties, cities, towns, special districts, and school districts to the GID and to the surveys.
- Local dependent agencies: We add local dependent agencies, including dependent school systems, to the GID, the surveys, and the depag (a list of dependent agencies maintained for the survey people working in the field) upon the request of the survey staffs.
- State dependent agencies: We add higher education entities and retirement and other insurance trust funds to the GID, the surveys, and the depag. All other state dependent agencies, we add only to the depag. The survey people decide whether to add these other state dependent agencies to their survey tables.

- States: All states are included in the GID.

The (GID) is in the Governments Processing System in an Oracle computer database. On the record pages for individual entities, the identification number, name, and sub (subsidiary) name appear in the upper center of the screen. These three pieces of information are the essential master list.

For each government entity on the master list, three screens accessed by tabs are presented. The tab labeled contact information, population and miscellaneous, and school data are supplementary information kept in the master list along with the identification number, name, and subsidiary name. The other tables in the GID are the survey tables. They include the finance, employment, F-33 (school finance), retirement, quarterly tax, and MEPS (Medical Expenditures Panel Survey) surveys.

The master list and the survey tables are linked. We maintain the master list by adding and “deleting” (disincorporating) governments and dependent agencies and updating information such as addresses or school level codes. When we add a government to the master list, we also add it to the survey tables. Name, subsidiary name, and political description automatically update in the survey tables.

Some updates to the master list do not automatically appear in the survey tables. Deletes and address changes in the master list can be applied to the survey tables by the survey staff at their option.

Certain updates can be conducted in the survey tables independently of the master list. Updates made directly to the survey tables do not affect the master list. The survey staffs may delete entities from the survey tables or change addresses in the survey tables and these changes will not affect the master list. We access the survey tables to change sample weights, which do not appear in the master file.

The division uses the GID both as a name and address file (to mail questionnaires to respondents) and as a reference file (to supply information needed to process data) for the Census of Governments. The division also uses the GID as the basis for selecting samples of governments for surveys conducted in the years between censuses.

For information concerning accessing and navigating the GID, consult *The Governments Integrated Directory User's Guide*. The user's guide also contains the information in this chapter in a much abbreviated version. See Appendix O for instructions on exporting a GID view to Microsoft Access.

## **Master List**

The master list is a list of governments and dependent agencies. It essentially is the identification number and the name and subsidiary name. In addition to these essentials, the master list contains supplementary information in the tables labeled general information, population and miscellaneous, and school data.

The identification number field cannot be updated. To assign a new identification number to an entity, the entity is disincorporated and a new record created for the entity. All other fields may be updated.

## **Survey Tables**

The survey tables are labeled Finance Survey, Employment Survey, F-33 Survey, Retirement Survey, Quarterly Tax Survey, and MEPS Survey. The survey tables have their own address, telephone, FAX, and email fields. The survey staff may change this information in the survey tables without affecting the master list.

## **Reference Tables**

The GID contains four reference or lookup tables. This section describes these tables.

### **County lookup**

This table shows counties and county equivalents by state. It shows the county name, state code, county code, FIPS (Federal Information Processing Standards) state code, FIPS county code, political description, and population.

### **Function code lookup**

This table describes special district function codes but not dependent agency activity codes. The code and the name of the function are shown.

### **State cross reference**

This table shows the state code, state postal abbreviation, state FIPS code, and region code.

### **Form reference**

This table provides a crosswalk between surveys and forms numbers. It is available when working in the survey tables.

## **Rights to the Master List and Survey Tables**

Everyone in Governments Division or assisting Governments Division from Jeffersonville may view and search on all of the master list and the survey tables. The rights to conduct various actions in the GID, however, are limited by staff functions.

All of Governments Division and the Jeffersonville staff have read rights to all of the GID.

Classification staff have rights for adding and disincorporating records and updating all fields in the master list. Classification staff have rights for adding records and updating all fields except the survey field in the survey tables.

The Governments Division Census Management Staff has update rights to the pub name field. This field contains the name of the government as it appears in Census Bureau publications.

The survey staffs have rights for adding and disincorporating records and updating all fields in their survey tables except for the weight and national weight fields. Rights by individual vary within the survey staffs.

The Education and Related Statistics Branch and the Elementary and Secondary Education Statistics Branch have rights to update the NCES, state\_id\_from\_in\_house, and state\_id\_from\_ccd\_non\_fis fields in the master list.

The Governments Processing System only allows the update of a record if all fields meet the validation criteria (Appendix P). If you violate a validation criterion, the Governments Processing System will identify the error and require you to correct it before you can update the record.

## **Assigning Identification Codes**

### **Criteria**

We assign identification codes to counties, municipalities, townships, special districts, and school districts that meet the following criteria:

- The entity must be the found through legislative or directory research or division survey work. If a classification ruling is needed, we must issue it before adding the unit.
- The entity must be active.
- The county area must be known. See the Rand McNally Atlas.

- The unit must be needed for a survey. All special districts are needed. We do not, however, assign directory identification codes to all state and local dependent agencies. We do not add entities if they are so integrated with the creating government that the funds are most likely picked up there.

## **Steps Before Assigning Identification Codes**

Before you assign an identification code (that is, add an entity to the GID), do the following steps:

- 1 Check to see if the entity is already in the GID.
- 2 If the entity is not in the GID, check Volume 1 to see if the particular entity or the class of entities is listed. If so, add the entity as described in Volume 1 -- that is, if Volume 1 says the entity is a special district, add it as a special district. If Volume 1 says the entity is a local dependent, add the entity as a local dependent. If Volume 1 says the entity is a state dependent, do not add unless the entity is a retirement system or higher education.
- 3 If the entity is not covered by Volume 1, issue a classification ruling. If the classification ruling finds that the entity is a special district, add it to the GID. If the classification ruling finds that the entity is a local dependent, add it to the GID if a survey requested the entity. If the classification ruling finds that the entity is state dependent, add the entity only if it is a retirement system or higher education.

## **The Identification Code Structure**

Each governmental entity in the GID has an identification code. Each identification code is unique. However, entities share state codes, type codes, and county codes. For example, all school districts carry a type code of five; all local governments in one county carry the same county area code; and two or more governments in one county area can have the same unit code if they have different type codes. Thus, we need the complete 14-digit code to uniquely identify a government unit.

The basic government identification code is nine digits. An additional five digits are used for supplements and subsidiaries.

### **State code**

The state code is in positions 1 and 2 of the identification code. See Appendix Q for a list of state codes.

### **Type code**

The type code is in position 3 of the identification code.

0 = state	
1 = county	
2 = municipality	
3 = township	
4 = special district	
5 = school district	(school districts, higher education institutions, vocational schools, special education schools, nonoperating systems, and educational service agencies - identified by a school level code that is not part of the identification code)

#### County code

The three-digit county code is in positions 4 through 6 of the identification code. We assign county area codes sequentially in essentially alphabetical order within a state. A three-digit county area code can be used in more than one state.

#### Unit code

The three-digit unit code is in positions 7 through 9 of the identification code. The unit code identifies a specific government. We assign these within the state, county, and type of government. For the counties themselves, the unit code is usually the same as the county code.

#### Supplement code

The three-digit supplement code occupies positions 10 through 12 in the identification code. The supplement code identifies different dependent agencies of the same parent (state or local) government (for example, universities). There must be a parent government for the supplement to be added. The parent government will have the same first nine digits but the supplement code will be 000.

We use certain sequences to identify different types of supplements:

##### Local governments

001 - 099, 200-299	miscellaneous local dependent agencies
100 - 199	retirement systems and other insurance trust funds
300 - 399	dependent public school system
600 - 699	Medical Expenditures Panel Survey

Supplement codes 400-599 and 700-999 are not currently used.

#### State government

State dependent agencies are limited to insurance trust funds and education systems. Codes 900-999 are reserved for retirement systems and other insurance trust funds.

#### Subsidiary code

The two-digit subsidiary code occupies positions 13 through 14 in the identification code. The subsidiary code identifies subsidiary units at the institutional level (for example, individual college campuses). These are activities of the dependent agency (supplement).

We use the sequence 60 - 69 for the Medical Expenditures Panel Survey.

#### Examples of GID codes:

21 0 000 000 000 00 Maryland (state)  
21 0 000 000 090 00 University of Maryland (state supplement)  
21 0 000 000 090 03 Univ. of Maryland College Park Campus (subsidiary of a state supplement)  
  
21 1 003 003 000 00 Baltimore (county)  
21 1 003 003 101 00 Employees Retirement System of Baltimore County (local supplement)  
21 4 003 001 000 00 Baltimore Co. Soil Cons. Dist. (special district headquartered in Baltimore)  
  
21 2 004 001 000 00 Baltimore (independent city)  
21 2 004 001 009 00 Baltimore City police department (local supplement)  
21 2 004 001 301 00 Baltimore city schools (dependent schools)

#### Example of assigning identification codes when a new university system is created:

In Louisiana, eight universities combined into one system. The eight universities are disincorporated. An identification code for the system is created at the supplement level. New identification codes are assigned to the universities at the subsidiary level. Think of the universities as campuses of the system.

The following identification codes were disincorporated:



19 0 000 000 058 00 Grambling State University  
19 0 000 000 111 00 Louisiana Technical University  
19 0 000 000 116 00 McNeese State University  
19 0 000 000 115 00 Nicholls State University  
19 0 000 000 175 00 Northeast Louisiana University  
19 0 000 000 121 00 Northwestern State University  
19 0 000 000 145 00 Southeastern Louisiana University  
19 0 000 000 162 00 University of Southwestern Louisiana

The following identification codes were assigned:

19 0 000 000 117 00 University of Louisiana System  
19 0 000 000 117 01 Grambling State University  
19 0 000 000 117 02 Louisiana Technical University  
19 0 000 000 117 03 McNeese State University  
19 0 000 000 117 04 Nicholls State University  
19 0 000 000 117 05 University of Louisiana at Monroe (formerly Northeast LA Univ.)  
19 0 000 000 117 06 Northwestern State University  
19 0 000 000 117 07 Southeastern Louisiana University  
19 0 000 000 117 08 University of Louisiana at Lafayette (formerly Univ. of SW LA)

## **Multicounties**

For the multicounty governments, we assign the identification number and collected data to the principal county. The principal county is usually the one where the mailing address of the government is located. This handling decision was based on the difficulty of determining the county area to which revenues and expenditures should be allocated. Do take the population sizes of the counties into account. For example, if an entity serves two counties, one with a population of 250,000 and one with a population of 15,000, assign the entity to the larger county.

## **City-County Consolidations**

Be sure that all legal procedures are complete. Disincorporate the county and keep the city. You will usually need to update the name or political description. The dependent agencies and special districts of the county may need updated codes.

## **Identification Code Historic Numbering Series**

Prior to the 2002 census, the numbers used for the identification code helped identify which census a unit was added. For the 2002 census, we try to use the 300 series, otherwise we are using any unit codes that are available.

Number Series:

Census:

001 to 199	1957 or earlier
201 to 299	1992
301 to 399	1997 and 2002
401 to 499	1987
501 to 599	1962
601 to 699	1982
701 to 799	1967
801 to 899	1972
901 to 999	1977

Exceptions: In Harris County, Texas, some 300 series numbers were added in 1997 and 1982. In Alleghany County, Pennsylvania, units 601 through 625 were added in the 1962 census.

### **Governments Identification Codes Relationship to FIPS Codes**

Government codes can be directly related to FIPS (Federal Information Processing System) codes on a one-to-one basis for states, counties, municipalities, and townships (municipalities and townships are places in FIPS). FIPS codes for school districts do not exist.

### **Fields Specific to the Master List**

#### **Name and Subname**

The name field displays the official legal name of the entity. We rearrange the names so the name of the county or city appears first but otherwise we conform to the legal name. We rearrange the name to make working in the GID possible. Always include the full name of the entity including the city or county if applicable. For example, for the “Washington County Sewer District,” do not enter “Sewer District.” Washington county might have several sewer districts, one belonging to the county and some belonging to individual cities within the county. We need the full name to distinguish them. We maintain this field.

The sub name field displays the official legal name of subsidiaries. We maintain this field.

#### **Master List Page: General**

Political description

The political description field categorizes counties and municipalities as counties, cities, towns, villages, and so forth. We maintain this field.

Area code, telephone, extension, FAX area code, FAX, and email

We prefer to list official telephone numbers and email addresses but will list private information if that is all that is available. We maintain this field.

Pub name

The pub name field is short for published name. This field may contain the official name or the doing-business-as name. The names appear in mixed case. (The master list names appear in capitals only.) This field is maintained by the Governments Division Census Management Staff.

Web address

The web address field displays the URL of a government website. A site is included if it is designated as the official website of the government and provides information about at least the central administrative departments of the government. We maintain this field.

Included websites:

The URL of a web site is included if the site is designated as the official web site of the government and provides information about at least the central administrative departments of the government.

A site lacking an official government web site designation is considered if it provides address and contact information for the central administrative and other major departments of the government or contains hypertext links to them. In addition, the site must meet at least one of the following conditions:

- It contains an introductory or “welcome to our website” statement from an official of the government.
- It identifies the website maintenance and/or contact person as an official of the government.
- It contains a government copyright statement.

- It provides direct interactivity with the government via the website (other than e-mail).
- It includes other features or language indicating that the government recognizes the site as the primary provider of online information about it. (This condition could be met if, for example, an official of the government is listed as a member of the advisory committee for website content.).

Excluded websites:

Sites containing no government information, even if identified as the official website of a locality (many of these focus on economic development, business, tourism, genealogy, and so forth).

General purpose government sites limited to a single department or function (for example, city police or fire).

Sites that are down for maintenance or otherwise inaccessible.

Sites under construction that contain little or no government information.

Sites presenting information that was primarily compiled and maintained by individuals or organizations not linked with the government by employment, contract, or other agreement.

Sites containing boilerplate presentations of selected local government information compiled from public records or obtained from local governments, unless the government has designated it as its official website.

Other considerations:

A domain extension alone does not provide conclusive evidence as to whether a site is a government web site by our criteria. Although URLs with domain extension of .US are often found to be official government websites, they sometimes lack government information or belong to governments other than the ones being investigated. In the latter case, a county website may have pages describing cities and towns within its borders. It could be valid for inclusion as the county website but perhaps not as a municipal or town site. Further, a majority of government websites do not use the .US extension. Large numbers of government URLs have domain extensions of .COM, .NET, or .ORG.

Websites containing nongovernment information are not automatically excluded from GID coverage. Often, web sites meeting our criteria for inclusion in the GID also provide information about local businesses, civic organizations, and private events. Some also carry advertising.

The URLs in the GID are subject to change at any time, as governments modify or terminate their websites or switch Internet service providers. Active web sites are not immune to technical problems; a link that is dead one day might be working the next and vice versa. As evidenced by the large number of under construction sites encountered, government presence on the web is continually expanding as public officials adapt to the medium as a preferred way of providing information to and interacting with the citizenry. We should endeavor to keep the web address information in the GID as complete and accurate as possible through continuing research of portal sites and search engines, the use of link-checking software, and information gathered from periodic surveys.

For some sites, inclusion or exclusion may be a judgment call. Bear in mind that URLs of sites not meeting criteria for the web address field may be noted in the annotations field if they contain some useful information about the government.

## Title

The title field displays the job title of the person who will be responsible for handling survey forms. Private mail stop numbers also go in the title field to adhere to postal service addressing standards. Postal service addressing standards are described in Appendix R. We maintain this field.

## Mailing address (address 1, address 2, city, state, zip, and zip4).

The mailing address field for an entity may list a different state or county than the entity's jurisdiction. For example, a special district may be governed by property owners but has no residency requirements. Or, the director may have mail sent to a business address in another county or state. We maintain this field.

The mailing address may be in a different state or county than the district's jurisdiction. This may be because the special district is governed by property owners and has no residency requirements. Or the director may have mail sent to his business address in another county or state.

If an address cannot be found (see the appendix on data sources), call the county or city clerk for the address. If they cannot provide one, use the county or city clerk address.

## **Master List Page: Population and Miscellaneous**

### **Flag**

The flag field identifies records that will be excluded from the surveys. We maintain this field.

### **FYE**

The FYE field displays the fiscal year ending date. The fiscal year ending date is provided by the entity on the directory survey.

### **FIPS\_place**

The FIPS \_place field displays the FIPS place code. The FIPS place code is available for type codes 1, 2, and 3 only. For type 1 governments, the FIPS place code entry is 99 followed by the FIPS county code. The information is provided by the Geography Division.

### **Year-source-action**

The year-source-action field is entered by the person updating the master record. It enables tallies of changes to the directory based upon the type of change and the source that originated the action. It is not a record of all sources used to research a change; it is the source that suggested a change should be made or provided the best information.

The code identifies the survey cycle, source of information, and type of action for certain changes we make to the governments directory. The field is eight characters structured as follows: 2-character year, 3-character source code, and 3-character action code. We key the 2-digit year, then select the source and action entries from a pull-down menu. See Appendix S for a list of entries and their definitions.

### **Annotations**

The annotations field displays all notes other than those appearing in the rulings and legal citation fields. We maintain this field.

Entries such as 97-G24-add in the annotations field are year-source-action codes from the 1997 census. The 1997 census used year-source-action codes similar to those presently used, but the codes were entered in the annotations field. The 1992 action codes were more abbreviated and placed in the annotations or rulings fields. See the section on researching historic files later in this chapter.

## Rulings

The rulings field displays notes on formal classification rulings, especially ruling numbers. We maintain this field.

## Leg\_citation

The leg\_citation field displays the legal citation, that is, the law the entity was created under and any amendments. We maintain this field.

## Record creation date

The record creation date field displays the date the entity was first added to the master list. This field is controlled by the Governments Processing System.

## Incorporation date

Legally, the incorporation date is the date that the creation of the government or dependent agency is effective. In the directory, the following criteria are used (in order of preference):

- If the actual date (month day year) the government became effective is known, use it.
- If the year the government became effective is known or can be approximated, but the month and day are unknown, use the known or approximated year with July 1.
- If the date the government became effective is unknown, use the survey year the entity was added to the directory with July 1. For example, the incorporation date for the 2002 census is July 1, 2001.

Entities are reincorporated in the master list by removing the disincorporation date in the existing record. Do not create a new record.

Do not enter an incorporation date. You will need to add the entity to the surveys individually.

The record creation date and the incorporation date are different. For example, suppose that, on March 21, 2002, you added an entity that was created on January 9, 2002. The record creation date would be March 21, 2002. The incorporation date would be January 9, 2002.

We maintain the incorporation date field.

### Disincorporation date

Legally, the disincorporation date is the date the dissolution of the government is effective. In the directory, the following criteria are used (in order of preference):

- If the actual date (month day year) the government was disincorporated is known, use it.
- If the year the government was disincorporated is known or can be approximated, but the month and day are unknown, use the known or approximated year with July 1.
- If the date the government was disincorporated is unknown, use the survey year with July 1. For example, the disincorporation date for the 2002 census is July 1, 2001.

If an entity will disincorporate in the future, keep it active until then.

To reincorporate an entity, simply remove the disincorporation date and add the entity to the surveys.

We maintain the disincorporation date field.

### Population

The population field displays the population counts for county, municipal, and township governments as provided by the Population Division.

### Population year

The population year field displays the census year of the population counts as provided by the Population Division.



## Activity codes and function codes

We maintain the activity code and function code fields. Function codes classify special districts and activity codes classify dependent agencies. See Appendix B in this manual for lists of the codes used by our office. See the *Government Finance and Employment Classification Manual* for the complete list used by the division. Note that if a function/activity appears on both the function code and activity code lists, the number for the function/activity may or may not be the same on both lists. For example, air transportation is 01 on both lists, but hospitals are 40 on the function code list and 36 on the activity code list.

Certain function codes are constants:

For local supplements with 100 - 199 for the supplement code, that is, retirement systems, the activity code must be 23 or X1.

For local supplements with 300 - 399 for the supplement code, that is, dependent public school systems, the activity code must be 12, 18, or 21.

For supplements with 600 - 699 for the supplement code, that is Medical Expenditure Panel Survey respondents, the activity code must be 00.

Excluding these constants - To determine which function/activity code to assign to an entity, first read the description for the entity in Volume 1 and consult either Appendix B of this manual or, if more detail is needed, the *Government Finance and Employment Classification Manual*. Check to see how other entities in that state are coded. You may need to consult the classification rulings - watch for notes in the rulings field in the GID. If you cannot determine the function code, use 89 single function or 99 multifunction, as appropriate.

A special district is single function if 80 percent or more of its activities are in one function. If it has two or more functions and less than 80 percent is in any one, then it is a multifunction district. The only exception to the 80 percent rule occurs when expenditures for a lesser function exceed \$5 million. Note that responsibilities within a function vary, that is, some special districts finance the construction of facilities while others operate facilities, and some do both. See Appendix T for a chart showing plausible additional activities or functions that a special district coded to a particular function could also perform.

Activity code Y1 is only valid for state supplements.

Higher education institutions, whether dependent or independent, receive activity codes. They are the only type 5s and only independent governments to receive activity codes.

There are no Governments Division definitions for the functions of counties, towns, or municipalities. There are definitions in the state constitutions.

The division also uses function codes for federal and school activities. These may be found in the *Government Finance and Employment Classification Manual*.

EIN

This field will not be used.

#### **Master List Page: School Data**

State\_ID\_from\_in\_house

This is the identification number that the state education agency uses on the F-33 survey. This field is maintained by the Education and Related Statistics Branch and the Elementary-Secondary Branch

State\_ID-from\_ccd\_non\_fis

This is the identification number that the school district uses on the Common Core of Data Nonfiscal Survey. This field is maintained by the Education and Related Statistics Branch and the Elementary-Secondary Branch

NCES

The NCES field displays the identification number of the local education agency for the entity used by and provided by the National Center for Education Statistics.

Enrollment

The enrollment field displays the enrollment count for the entity as provided by the Common Core of Data .

## Enrollment year

The enrollment year field displays the school year of the enrollment count. This is provided by the Common Core of Data.

## School\_lvl

The school\_lvl field displays the school level code. The school level code identifies school districts (by grade range), higher education institutions, vocational schools, special education schools, nonoperating systems, and educational service agencies. We maintain this field. The following are the codes and their definitions.

- 01 Operates elementary grades (K through 8) only
- 02 Operates secondary grades (7 through 12) only
- 03 Operates elementary and secondary grades (K through 12)
- 04 Higher education (above grade 12 and creditable to a degree)
- 05 Vocational and special education only
- 06 Non-operating system (such systems do, however, levy taxes to pay tuition of resident pupils attending schools operated by another public school system)
- 07 Educational service agency (ESA)

## Fields Specific to the Survey Tables

Many of the fields that appear in the master list tables also appear in the survey tables. The survey staff may not change the political description, weight, or national weight fields in the survey tables. They may change the address, area code, telephone, extension, FAX area code, FAX, email, comment, mail, and form fields without affecting the master list. The record creation date field is controlled by the Governments Processing System. The following are descriptions of the fields that are unique to the survey tables.

### Mail

Mail suppression for a survey is flagged in the mail field. The survey staffs maintain this field.

## Weight and national weight

Sample weights are applied by us as directed by the Economic Statistical Methods and Programming Division. Sample weights are survey specific. New samples for the finance and employment surveys are drawn following each census of governments. Weights are assigned to governments but not dependent agencies. For the finance survey, two sample weight fields are used, one for the state-based sample and one for the national sample. The employment survey uses only the weight for the state-based sample.

The rules for assigning weights follow:

Emergence of a new general purpose unit or independent school

- Add all births in types 1-3 and 5 sample with a weight of 1.
- Interpret a merger of two units in types 1-3 and 5 as two deaths and one birth. Include the new unit in the sample with a weight of 1.
- If a dependent unit splits from its parent and it becomes an independent unit in type 1, 2, 3, or 5, treat the new unit as a birth with a weight of 1.

#### Emergence of new special district unit

- Add a special district birth to the sample with a weight of 1 if Governments Division has sufficient information on the unit and the unit satisfies any of the following Initial Certainty Criteria<sup>8</sup> for special districts:

a full-time equivalent employment of 1000 or more

a function code of 92, 93, or 94

either \$20+ million debt or \$10+ million total revenue or expenditure

The Economic Statistical Methods and Programming Division samples the remaining special district births at a sampling rate of 1 in 25 every summer before the survey mail out. The Employment Branch has the option of suppressing any of the births if the unit does not have employment activities.

- If two special district units merge and the merged unit satisfies any of the Initial Certainty Criteria listed above or if the merged unit has any of the multifunction codes (96, 97, 98, or 99), include the unit in the sample with a weight of 1. Otherwise, apply one of the three rules listed below:

Both units are in the sample: Assign the smaller of the two weights to the newly formed unit.

One unit is in the sample while the other is not:  
Assign the weight of the unit in the sample to the newly incorporated unit.

Both units are not in the sample: Keep them out of the sample with a weight of zero.

---

<sup>8</sup>Certainty units also include the following types of governments: (1) all state governments, (2) all county governments with a population of 100,000 or more, (3) all municipal governments with a population of 75,000 or more, (4) all town(ship) governments in the New England states (CT, ME, MA, NH, RI, VT) or the Middle Atlantic states (NJ, NY, PA) with a population of 50,000 or more, and (5) all school district governments.

- If a dependent unit splits from its parent and becomes a special district unit, apply the following rules:

The parent keeps its status (in or out of sample) with the same sampling weight. Treat the new special district as a birth. Check to see if the new special district satisfies the Initial Certainty Criteria for special districts or if it has any of the multifunction codes (96, 97, 98, or 99). If the answer is yes, include the unit in the sample with a weight of 1. If the answer is no, it will be sampled with other special district births later at a sampling rate of 1 in 25.

#### Deaths

- If government was misclassified:

Treat the old unit as a death by assigning a weight of 0.  
Treat the new unit as a birth with a weight of 1.

- If an independent school becomes a dependent school:

Treat the old unit as a death by assigning a weight of 0.  
The new unit will be in the sample if its parent is in sample.

- If a school district with a weight of 0.2307 was split into two school districts:

Treat the original school district as a death by assigning a weight of 0. Treat two new districts as births, each with a weight of 1.

- If the function code of a special district is changed:

No weight adjustment is necessary.

- If a special district was coded to a wrong county. Its identification code changed after correction but its state and type codes remained the same.

No weight adjustment is necessary. If the type code changes, no weight adjustment is necessary. If the state code changes: if the weight is one, keep it. Otherwise,

contact the Economic Statistical Methods and Programming Division.

## E-15

The E-15 field is used by the employment and retirement survey tables to indicate which survey package an entity receives. The survey staffs maintain this field.

## Form

The form field indicates which survey package an entity receives. The surveys each have a number of forms they may select from for canvassing a particular entity. The survey staffs maintain this field.

# Researching Historic Files

## Action Codes - 1997 Census

The 1997 action codes were placed in the annotations field.

Annotation Format: YYSOURCE-ACTION

Example: 97G24-Add

YY: 2-digit year

Source:

AES	annual employment survey
AFS	annual finance survey
CC	central collection source state
G24	G-24 questionnaire response
LR	legislative research
NAT	national source
RULING	formal classification ruling.
ST	state source

Action:

ADD	for new entries and reincorporations
REMOVAL	removal of out-of-scope, due to change in classification or previous misclassification, or duplicates
DISINC	legal disincorporations of previously existing units
NAME	name changes
MERGE	record the name and id of the surviving unit
DEP	reclassified as a dependent agency (annotate with parent id)

## Action Codes - 1992 Census

The 1992 action codes were placed in the annotations or rulings field.

Additions:	Disincorporations:	Name Changes:	
AC	DC	NC	per census
AP	DP	NP	per G-24
AR	DR	NR	per ruling
AS	DS	NS	per state source

Duplicate Identification Codes:      DUP

Mergers:      MERGED

### **Type of Government Code - Before 1994**

The type of government codes changed in 1994. This is relevant when searching historic files.

Type of Government	New Code	Old Code	Comments
State	0	00	State dependent school systems are also "0."
County	1	10	general purpose
Municipal	2	20	general purpose
Township	3	30	general purpose
Special District	4	40	special purpose
School District	5	50	special purpose; independent school districts
Federal	6		
Indian Tribes and Alaskan native villages	6		Indian and Alaskan tribes are dependent activities of the federal government
Dependent Schools	1, 2, or 3	7, 8, 9	Now carry the nine-digit identification code of the parent government

The old type of government code "60" was a joint school in Pennsylvania.

We instituted the sub code with the 1995 directory.



## **Chapter 9. Governments Division Surveys as Related to Research and Classification Work**

### **Introduction**

The types of surveys and censuses conducted by Governments Division are: government finance, government employment, schools, retirement systems, and justice systems. Governments Division also has federal programs surveys that use the governments directory to identify the location of federal funds recipients.

All surveys and censuses conducted by the Governments Division are voluntary. This is because states are sovereign governments and local governments are their subdivisions and not directly responsible to the federal government. We, nonetheless, receive a high response rate because public agencies and officials widely recognize the importance of the information we collect.

Surveys and censuses conducted by the rest of the Census Bureau are subject to confidentiality concerns. Governments Division data are not. Official records for governments and their dependent agencies are public information.

We interact with the survey staffs a great deal. We receive research requests from them - asking us to make a change to the governments directory or classify a new entity. We issue our classification rulings to the survey staffs because our decisions directly affect their data collection.

### **Research Requests**

Research requests may come from any survey staff in the division. Research requests may result in rulings but usually do not. Research requests are submitted by survey staff via an electronic form.

The first place to look when responding to a research request is Volume 1. When consulting Volume 1, read through the whole state - many entities have similar names or can be classified as either a special district or a dependent agency depending on certain criteria.

The second place to look is the governments directory. Often, the question has already been answered through previous work and the results are in the directory. If not, the directory is still a basic source of information.

The third place to look is the classification rulings to see if a ruling already exists for the entity or class of entities.

You will then consult the state code, the sources in Appendix F, or the sources in the office sources database as appropriate. You may need to find new sources.

The following are examples of sources one might check while researching various entities:

For a school building finance authority in Pennsylvania, check:

- Legislation
- Precedent rulings
- Volume 1

Pennsylvania secretary of state records  
Pennsylvania Directory of Municipal Authorities  
Statistics for Municipal Authorities in Pennsylvania  
Pennsylvania Education Directory

For a hospital authority in Georgia, check:

Legislation  
Precedent rulings  
Volume 1  
Georgia secretary of state records  
Mergent's Municipal and Government Manual for debt  
American Hospital Association Guide  
Respondent for situation, entity names, and addresses

For a retirement system, check:

Legislation  
Precedent rulings  
Budgets and jackets  
Audit reports  
Lexis news  
Call state or local officials as appropriate

For a public school, check:

Legislation  
Precedent rulings  
Volume 1  
Common Core of Data survey (CCD)  
state department of education's public school directory  
and, if appropriate:  
National Charter School Directory

## **Finance and Employment Surveys**

The finance and employment surveys may or may not need a particular entity on their surveys. For example, some entities are solely financing entities and, so, the employment survey would not need to mail to them. We add all new special districts to both surveys and allow the surveys to decide whether to mail to the entity or suppress the mail for the entity. It is important that we add all special districts to both surveys for the sampling process. We add dependent agencies to the governments directory, the depag, and a survey (or both surveys) upon request.

The division does not track departments because their financial and employment data are reported in their state or local government's data.

The division keeps the directory of governments and the dependent agency listings separately because the manner of collecting data for the two types of entities differs. The subject branches

collect data on censuses and surveys for all governments (listed in the governments directory). The subject branches examine the financial records of state and local governments for data on dependent agencies. In some states, we have particular arrangements with the state for data collection. Whether an entity is independent or dependent can alter the way the survey staff collect the data or if they are allowed to collect the data.

Sometimes a state dependent entity will receive local contributions or have local employees. These entities are listed in the governments directory as local supplements for survey data collection purposes. Survey forms are sent to the entities using their county- or city-based identification number (from the governments directory) to collect the local contributions and/or local employees. The data are added to the local governments' data. An example of these is the courts in Louisiana.

All revenues except proceeds of borrowing and interfund transfers are counted on the finance survey.

The effects of classification are magnified in sample years. Only a small number of special districts are sampled. Each special district in the sample becomes important.

The finance and employment surveys use more function codes and activity codes than we do. They recode the functions we assign per their criteria. For entities that we code to function code 99, multifunction, the surveys will recode the entity's data to the various functions the entity performs for data tabulation.

## **Audits**

During the process of making a ruling, we usually only examine data collection (the audit reports) if the law is unclear or allows the local governments options in creating entities. Knowing how to collect the data is the fundamental job of the survey staffs. While you can make an initial determination, it is up to the survey staffs to decide how to collect the data and to let you know if they need a different arrangement in the governments directory for data collection.

The survey staff keeps audits on the 4th floor. Survey staff calls audit folders "jackets" for the larger cities and counties and all states. The survey staff keeps folders for smaller cities and counties in unit files around the corner from the jackets. The folders are in governments identification code order.

Audit folders contain finance survey forms, financial statements, and Governments Division worksheets. The financial statements are the closest source to the reported data. The notes to the financial statements say which units are included in the report. Usually, a reporting entity section breaks out which entities are and are not included. Some entities the city/county considers public would be considered private under the Governments Division classification system. Comparing the audit report to the finance survey form is helpful.

Accountants follow the standards set by the Governmental Accounting Standards Board (GASB). These standards are based on our classification system, but there are differences. Furthermore, the accountants are not trained in our classification work and they interpret and apply the GASB. See Appendix A, the Governmental Accounting Standards Board's summary of statement 14.

Also see the glossary for definitions of blended component units, component units, discretely presented component units, enterprise funds, financial reporting entity, financially accountable, joint venture, and jointly governed.

Rule of Thumb: If an entity obtains financing separately from the parent government, they are probably needed on the finance survey.

Check the financial reporting entity description in the audit:

- If the reporting entity is a blended component unit, the city/county reports it as part of the city/county.
- If the entity is a discretely presented component unit, it may or may not be part of the city/county finances. It may be in the audit but not in the city/county financial statements. Look for explanatory notes.
- The audits usually list joint entities, but not always.
- If an entity is not mentioned, it means that it is very integrated or very separate. The city/county considers it obvious.

The debt section:

- If an entity is not mentioned, it is probably excluded from the city/county finances.
- The debt section is especially helpful for finds from The Bond Buyer:

Look to see if the city or county is picking up the debt.

Look to see if the bond is detailed in the debt section.

## **The F-33 Survey**

The F-33 survey covers finances for the school districts. Most of the data are collected from the state education agencies. The Elementary and Secondary Education Statistics Branch has supplemental forms they mail to a few thousand individual school districts in certain states.

## **Medical Expenditures Panel Survey**

The Medical Expenditures Panel Survey (MEPS) is an annual voluntary survey. The survey covers governments, unions, railroads, private establishments from the business register (also known as the Standard Statistical Establishment List), and households. The data are not publicly distributed but are kept in the chief economist's office.

The MEPS uses many of the same governments and dependent agencies that the finance and employment surveys use. In addition, some trust funds are added to the governments directory specifically for the MEPS.

## **Guidelines for Handling Certain Kinds of Data**

These guidelines are used by the survey staff. Understanding how the data are collected may aid in classification.

### **Dependent Agencies**

Dependent agencies are generally characterized by a fairly large volume of transactions. They are often involved in revenue-producing and debt-issuing activities.

The survey staff collects all data relating to these agencies, including revenues, expenditures, debts, and assets. The survey staff excludes transactions with other parts of the parent government, including receipts of appropriated funds as transfers. The survey staff obtains data from the records of the particular agency unless such information in its entirety is available in the state central financial records.

State dependent agencies have two possible reporting situations. Sometimes the state considers the entity to be a component unit of the state (an integral part of the state). The state reports the entity's finances with its own. Sometimes the state denies responsibility. For these, the division canvasses the entity separately.

Sometimes the parent government reports an entity's finances with its own, but the entity reports its employment separately.

### **Dependent Activities**

These agencies usually have little revenue or debt. The survey staff collects only those transactions (for example, taxes, special assessments, expenditures or debt) found in the central financial records.

**Administrative Areas**

Administrative areas have no separate governmental structure. The survey staff collects only those transactions found in the central financial records.

**Joint Dependent Agencies or Activities**

These entities or activities are jointly operated and financed by more than one government. The survey staff collects only those transactions found in the central financial records.

**Central Collection State**

In a central collection state, the state reports for all of the local governments on the finance survey. The states also may have guidelines on where to include the payrolls of various employees.

## **Chapter 10. Data User Requests**

### **Family and Medical Leave Act**

We receive requests for determinations concerning the employment counts of entities when courts are making decisions pertinent to the family leave act. At issue is: If the entity is a special district, only the special district's employment is counted. If the entity is a dependent agency, the parent government's employment counts. If a government has 50 or fewer employees, this law is not applicable.

### **Overtime or Second Job Question**

People sometimes want to know if they are working overtime or a second job. For example, city police officers may be paid to police a special district's event. The essential question is: who pays? That is, are they hired by contract with the city to do overtime for the special district or are they paid by the special district and it is really a second job? For the former, the city gives the district a grant to pay the overtime. For the latter, the funds are an intergovernmental transfer of a special tax. Also, employees working for a dependent agency may receive overtime pay per the Fair Labor Standards Act requirements. Please realize that many governments consider us the final say in such matters.

### **Census Management Staff**

One of the functions of the Census Management Staff is specialization in assisting data users. The Census Management Staff can help data users navigate the Governments Division website and answer questions about division data. The staff also will create data extracts for data users.

# Glossary

ad valorem	In proportion to the value; used especially of a tax or duty fixed as a percentage of the value of the property or goods sold.
administrative independence	Independence from the creating agency is shown by (1) a governing body that is popularly elected or elected by benefitted citizens, (2) a governing body composed of representatives from two or more state or local governments, or (3) in the event the entity's governing body is appointed, functions that are essentially different from those of and are not subject to specification by the creating government.
appoint	Selected by other officials, including by vote of other officials.
audit	Government financial statements. Available online in many states.
back door referendum	The governing body gives notice of intent to levy a tax or issue a bond. If more than a specified percentage of voters petition for one, a special election must be held to determine if the tax levy or bond issue can be made.
blended component unit	(accounting terminology) Legally separate entities that are in substance part of the primary government's operations. The data for these units are combined with the data for the primary government.
blue book	State manuals describing the state organization. Also, the directory of central collection arrangements and coverages maintained by the finance staff.
bond banks and pooled debt	To reduce the cost of issuing debt and to achieve a lower interest rate, governments sometimes agree to issue debt jointly. For example, a state government may create a bond bank that issues debt in the state's name that is then used to purchase securities from local governments. Local governments also may create their own bond banks or enter into pooled debt arrangements where one member issues debt and others borrow from the proceeds.
The Bond Buyer	A daily publication reporting development in public finance and bond issues of state and local governments.
bonds, general obligation	Principal and interest are secured by the full faith and credit of the issuing government and by its full taxing power.



bonds, limited obligation	Principal and interest are secured by revenue from fees and rents paid by users or by specified types of taxes.
bonds, refunding	Bonds that are issued to refinance existing debt at a more favorable interest rate.
bonds, revenue	Bonds that are secured by revenue from service charges or other nontax revenue.
bonds, special assessment	Bonds that are secured solely by revenue from special assessments (on front footage or benefit derived to a property owner from a given improvement).
borough	Political description applicable to county-type units in Alaska and some municipalities in Connecticut, New Jersey, and Pennsylvania.
Boundary and Annexation Survey	A survey of all or selected incorporated places and minor civil divisions, all or selected federally recognized American Indian reservations and off-reservation trust land areas, and all counties. This survey determines the correct legal limits and related information as of January 1 of the survey year.
census	A complete enumeration of a population or the business and commercial establishments, farms, or governments in an area.
Census Bureau	The nation's preeminent statistical collection and dissemination agency. It publishes a wide variety of statistical data about people, housing, and the economy of the nation. The Census Bureau conducts approximately 200 annual surveys and conducts the decennial census of the United States population and the quinquennial census of business and manufacturing.
central collection state	This is a state that reports for all or a segment of its local governments on the Governments Division finance survey. The states also may have guidelines on where to include payrolls of various employees.
certificate of participation	A joint bond issue of a group of local governments. It is not a special district.
class of entities	Organizations authorized under a general law that allows the creation of organizations performing a certain function or functions. For example, organizations created under a general law authorizing water authorities.

classification ruling	The results of an analysis of the authorizing legislation for an entity or class of entities to determine whether the entity is a special district or a dependent agency of another government.
code	Legal rules known as statutes, regulations, or ordinances.
commonwealth	"Commonwealth of [state]" is the official title of some states.
component unit	(accounting terminology per the GASB statement 14) Legally separate entities for which the primary government is financially accountable. Financially accountable is defined as the appointment of a voting majority of the entity's governing body and one of the following: the ability of the primary government to impose its will on the entity or the existence of a financial benefit/burden relationship. A primary government may also be financially accountable for entities that are fiscally dependent on it.
consolidated government	A governmental unit for which the functions of an incorporated place and its county or minor civil division have merged to form a common government; for example, a consolidated city-county government.
constituency	A body of constituents; the voters or residents in a district represented by an elective official.
county governments	Organized local governments authorized in state constitutions and statutes and established to provide general government; includes those governments designated as boroughs in Alaska, as parishes in Louisiana, and as counties in other states.
depag	A listing of state and local dependent agencies used by the survey staff when working in the field.
dependent agency	Entities created by a government and having certain governmental characteristics but subject by law to control by the authorizing government.
differential taxation	The application of more than one level of taxation or services throughout the area the government serves.
directory research	Finding new entities through the G-24 survey and state and national sources.

discretely presented component unit	(accounting terminology) The data for these units are reported in a separate column in the city's or county's financial statements to emphasize that the units are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from the primary government.
disincorporation date	Legally, the date the dissolution of the government is effective. In practice, if the actual date is not known, July 1 of the year preceding the latest completed survey year is used.
e-15	Governments Division employment surveys for a group of agencies mailed to one government office.
Economic Statistical Methods and Programming Division (ESMPD)	Conducts statistical work for the economic directorate.
education service agencies	Provide coordination and services to schools. They function at the state level. They do not operate schools.
elect	see popularly elected
electors of the district	A person who elects or may elect.
enterprise fund	(accounting terminology) Used to account for operations that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.
ex officio	By virtue of office or official position.
financial reporting entity	(accounting terminology per the GASB statement 14) Consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

financially accountable	(accounting terminology per the GASB statement 14) A primary government is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if it appoints a voting majority of the entity's governing body and one of the following: the primary government has the ability to impose its will on the entity or there exists a financial benefit/burden relationship. A primary government also may be financially accountable for entities that are fiscally dependent on it.
fiscal independence	This generally derives from the power of the entity to determine its budget without review and detailed modification by other state or local officials or governments, to determine taxes to be levied for its support, to fix and collect charges for its services, or to issue debt without review by another local government.
fiscal year	Any yearly accounting period.
ff	Abbreviation for "following."
fund	Accounting devices through which governments administer their finances. Funds support specific activities or attain certain objectives.
(g)	Abbreviation for "paragraph."
G-24 survey	Also called the Prelist of Governments. A survey sent to most counties and independent cities requesting an update of their lists of special districts. It is sent prior to the directory survey and the census of governments to update their mailing lists. It also is the basic information gathering effort for special districts.
GASB	Governments Accounting Standards Board.
general laws	These authorize a class of entities, such as water districts. These laws appear in the state codes (that is, the codified laws).
Geography Division	Defines decennial census geography; creates and maintains the Master Address File; spatially locates addresses using the TIGER® database; maintains and updates the TIGER®; and provides geographic support for other business, economic, and government surveys and censuses.
government	A government is an organized entity that, in addition to having governmental character, has sufficient discretion in the management of its own affairs to distinguish it as separate from the administrative structure of any other governmental unit.

Governments Division	Conducts surveys of local governments, schools, criminal justice organizations, and federal funding programs.
governments integrated directory (GID)	The universe file of governments in the United States. It is maintained by the Governments Division of the Census Bureau. It is used both as a name and address file (to mail questionnaires to respondents) and as a reference file (to supply information needed to process data). It is also sometimes called the Directory of Governments file.
incorporation date	Legally, the date that the creation of the government is effective. In the governments directory, if the actual data is not known, we use July 1 of the survey year the entity was added to the directory as active.
independent city	An incorporated place that is independent - that is, not part - of any county. All incorporated places classified as cities in Virginia are independent cities, as are Baltimore, Maryland; St. Louis, Missouri; and Carson City, Nevada.
interstate compact	Two or more governments create an interstate entity that is usually a planning agency. Some are special districts.
institutions	For Governments Division, institutions are physical entities. They may be organizationally under a state agency or department. Institutions include institutions of higher education, hospitals (including mental hospitals), correctional institutions, welfare institutions (veterans' homes, nursing homes, and the like), and special schools (schools for the deaf and blind, vocational schools, and the like).
joint exercise of powers agreement	Two or more governments create an entity that may be a special district or a dependent agency. These are usually classified as special districts for data collection purposes.
joint meetings agreement	Multiple governments (states or local) create a dependent agency.
joint venture	(accounting terminology) A contractual arrangement that is owned, operated, or governed by two or more participants as a separate activity subject to joint control, in which all participants retain an ongoing financial interest or responsibility.
jointly governed	(accounting terminology) Entities governed by representatives from each of the creating governments. These entities are similar to joint ventures except there is no ongoing financial interest or responsibility by the participating governments.

legislative research	Reviewing state codes for changes affecting existing entities and laws authorizing new classes of entities.
Lexis	An online database of legal codes, session laws, and bills among other legislative materials.
local education agencies	Operation of elementary/secondary public schools. In the education community, local education agencies (LEA) are synonymous with school district. For Governments Division: School district governments exclude dependent school systems but can include higher education. LEA refers to elementary/secondary public education. LEAs include both dependent and independent public school systems.
local governments	Includes counties, municipalities, towns or townships, special districts, and school districts.
Mergent's	Short for Mergent's Municipal and Government Manual. Formerly known as Moody's. Provides listings of bonds for governments and sometimes provides brief descriptions
municipal governments	Organized local governments authorized in state constitutions and statutes and established to provide general government for a defined area; includes those governments designated as cities, villages, boroughs (except in Alaska), towns (except in the six New England States, Minnesota, New York, and Wisconsin), and villages. This concept corresponds generally to the "incorporated places" designation used in Census Bureau reporting of population and housing statistics, subject to an important qualification -- census statistics on governments exclude places that are currently governmentally inactive.
National Center for Education Statistics (NCES)	The federal entity fulfilling a Congressional mandate to collect, collate, analyze, and report complete statistics on the condition of American education.
notes, temporary	Short-term debt with a maturity of less than one year, often issued in anticipation of a tax levy or a bond issue.
ordinance	An official, permanent (unless repealed) law created by a municipality. A few examples of subjects of ordinances include special districts, zoning, and building codes.
P.L.	Abbreviation for public law.

popularly elected	Popularly elected means the electors represent everyone legally entitled to vote in a governmental area or a taxing district. Popular election is necessary to prove governmental authority. However, election by corporation members, property owners, or stockholders not representing the entire governmental area or taxing district is evidence of administrative independence.
private-use airport	(aviation terminology) An airport that is not open for the use of the general public.
privately owned airport	(aviation terminology) An airport that is owned by a private individual or corporation.
public airport or public general aviation airport	(aviation terminology) An airport used for public purposes under the control of a public agency, and the landing area of which is publicly owned.
publicly owned airport	(aviation terminology) An airport that is publicly owned and under the control of a public agency.
public-use airport	(aviation terminology) An airport open to public use without prior permission and without restrictions within the physical capabilities of the facility. It may or may not be publicly owned.
reciprocal weight	The number of times figures for the unit are blown up to derive state and national totals.
repeal	To revoke or annul a law, tax, and so forth by express legislative enactment
resolution	Governments express intentions or opinions with resolutions. Resolutions are regarded as temporary. A few examples of subjects of resolutions include approval of a contract or recognition of a citizen for distinguished service to the city.
school district governments	Organized local entities providing public elementary, secondary, and/or higher education that, under state law, have sufficient administrative and fiscal autonomy to qualify as separate governments. Excludes dependent public school systems of county, municipal, township, or state governments.
session law	These are uncodified state laws that change, repeal, or add to the state code. They may become codified.
special acts	These create a specific entity. The entity may be named in the act. Special acts may appear in the state codes or in the session laws as uncodified laws.

special assessments	Compulsory contributions and reimbursements from property owners who benefit from specific public improvements. Also impact fees to fund the extension of water, sewer, roads, and other infrastructure facilities in new developments.
special district governments	All organized local entities, other than counties, municipalities, towns or townships, and school districts, authorized by state law to provide only one or a limited number of designated functions and with sufficient administrative and fiscal autonomy to qualify as separate governments. These are known by a variety of titles including districts, authorities, boards, commissions, and so forth as specified in the enabling state legislation.
subcounty general purpose governments	These include municipal and township governments. Municipal and township governments are distinguished primarily by the historical circumstances surrounding their incorporation.
town or township governments	Organized local governments authorized in state constitutions and statutes and established to provide general government for a defined area; includes those governments designated as towns in Connecticut, Maine (including organized "plantations"), Massachusetts, Minnesota, New Hampshire (including organized "locations"), New York, Rhode Island, Vermont, and Wisconsin, and townships in other states.
unorganized	The geographic area has no government.
Volume 1	Volume 1 is a census of governments publication that contains government counts by state, type, and other characteristics and descriptions of the local government structure for each state. Pre-2002 versions refer to the individual state descriptions as Volume 1 Appendix A.
watershed districts	These districts build, replace, or repair small dams. The primary purpose of these dams is flood control. According to the United States Department of Agriculture, the districts also can provide municipal water supply, wildlife habitat, water for livestock, and recreational opportunities.



# Appendix A: Governmental Accounting Standards Board Statement

June 1991

## Statement No. 14 of the GASB

### The Financial Reporting Entity

#### Summary

This statement establishes standards for defining and reporting on the financial reporting entity. It also establishes standards for reporting participation in joint ventures. It applies to financial reporting by primary governments, governmental joint ventures, jointly governed organizations, and other stand-alone governments; and it applies to the separately issued financial statements of governmental component units. In addition, this statement should be applied to governmental and nongovernmental component units when they are included in a governmental financial reporting entity.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

The financial statements of the reporting entity generally should allow the users to distinguish between the primary government and its component units. To accomplish this goal, the financial

statements should generally communicate information about the component units and their relationships with the primary government rather than create the perception that the primary government and all of its component are one legal entity.

Most component units should be included in the financial reporting entity by discrete presentation. Discrete presentation entails reporting component unit financial data in one or more columns separate from the financial data of the primary government. Certain information should be disclosed about each major component unit included in the component units column. The required information may be presented by using more than one column in the general purpose financial statements (GPFS) for the component units and either including appropriate combining statements for the discretely presented component units in the reporting entity's GPFS or presenting appropriate condensed financial statements of the discretely presented component units in the notes to the reporting entity's financial statements.

Some component units, despite being legally separate from the primary government, are so intertwined with the primary government that they are, in substance, the same as the primary government and should be reported as part of the primary government. That is, the component unit's balances and transactions should be reported in a manner similar to the balances and transactions of the primary government itself. This method of inclusion is known as blending.

The notes to the reporting entity's financial statements should distinguish between information pertaining to the primary government (including its blended component units) and that of its discretely presented component units. The reporting entity's financial statements should make those component unit disclosures that are essential to fair presentation of the financial reporting entity's GPFS. The notes to the financial statements also should include a brief description of the component units and their relationships to the primary government as well as information about how the separate financial statements of individual component units may be obtained.

This statement also requires certain disclosures about the entity's relationships with organizations other than component units, including related organizations, joint ventures, jointly governed organizations, and component units of another government with characteristics of a joint venture or jointly governed organization. This statement also provides financial statement display requirements for joint ventures in which the participating government has an equity interest.

This statement is effective for financial statements for periods beginning after December 15, 1992. Earlier application is encouraged.

Unless otherwise specified, pronouncements of the GASB apply to financial reports of all state and local governmental entities, including public benefit corporations and authorities, public employee retirement systems, and governmental utilities, hospitals and other healthcare providers, colleges, and universities.

## Appendix B. Function Codes

## Special District Function Codes

Function Code	Description
01	air transportation (airports)
87	water transport and terminals
44	highways
94	mass transit system utility
60	parking facilities
09	education
24	fire protection
52	libraries
61	parks and recreation
02	cemeteries
32	health
40	hospitals
79	public welfare institutions
41	industrial development
42	mortgage credit
50	housing and community development
51	drainage
63	flood control
64	irrigation
86	reclamation
88	soil and water conservation
59	other natural resources
80	sewerage
81	solid waste management
91	water supply utility
92	electric power utility
93	gas supply utility
89	other and unallocable
96	fire protection and water supply
97	natural resources and water supply
98	sewerage and water supply
99	other multifunction districts

*See also the Government Finance and Employment Classification Manual and Volume 1.*

## Dependent Agency Activity Codes

Function Codes	Description
01	air transportation
87	water transport and terminals
44	regular highways
94	public mass transit systems
60	parking facilities
12	elementary and secondary education
18	other higher education
21	other education
24	fire protection
52	libraries
61	parks and recreation
31	general public buildings
36	own hospitals
32	other health
77	welfare institutions
79	other public welfare
50	housing and community development
62	police protection
05	other corrections
25	judicial and legal
29	central staff services/central administration
23	financial administration
90	liquor stores
59	other natural resources
80	sewerage
81	solid waste management
91	water supply utility
92	electric power utility
93	gas supply utility
89	other and unallocable
98	sewerage and water supply
99	other multifunction
X1	public employees' retirement systems
Y1	workers' compensation systems

Y1 is only valid for state supplements.

There is no break down of natural resources for the activity codes.

## Function Code and Activity Code Descriptions

The following will help you with many function code and activity code classifications. For more detail, consult the *Government Finance and Employment Classification Manual*, which also list all of the codes used by the division. The following list is limited to the codes used by our office.

### 01 Air transportation (airports) - function code and activity code

Provision, operation, construction, and support of airport facilities serving the public-at-large on a scheduled or unscheduled basis and the regulation of the airline industry

### 02 Cemeteries - function code

Development, maintenance, operation, and support of public cemeteries.

### 05 Other corrections - activity code

Local residential institutions or facilities for the confinement, correction, rehabilitation, or detention of adults or juveniles. Also state and local nonresidential halfway houses and community corrections centers.

### 09 Education - function code

Financing and construction of educational facilities for leasing to public school systems. These are school building authorities.

Entities that directly provide education are either school districts (if they are independent) or dependent school systems. They are classified as type 5s and do not have function codes.

### 12 Elementary and secondary education - activity code

Operation, maintenance, and construction of public schools and facilities for elementary and secondary education and vocational-technical education and other educational institutions (except those for higher education) whether operated by independent governments (school districts) or as integral agencies of state, county, municipal, or town governments. Also the financial support of public elementary and secondary schools.

### 18 Other higher education - activity code

**Degree**-granting (including associate degrees, bachelor's, masters', or doctorate) institutions operated by state or local governments that provide academic training beyond the high school level. Includes teaching hospitals, junior colleges, community colleges, technical colleges, universities, law schools, medical and nursing schools, agricultural colleges, land grant institutions, engineering schools, and others.

## 21 Other education - activity code

Public technical or vocational-technical schools awarding *certificates* for academic training beyond the high school level. State schools for the handicapped. Government adult education and vocational rehabilitation and education not provided by school systems. Overall supervision and general services to elementary and secondary schools. Administration of school building authorities.

## 23 Financial administration - activity code

Officials and central staff agencies concerned with tax assessment and collection, accounting, auditing, budgeting, purchasing, custody of funds, and other finance activities. Includes the administration of public employees' retirement systems (activity code X1) and workers' compensation systems (activity code Y1).

## 24 Fire protection - function code and activity code

Prevention, avoidance, and suppression of fires and provision of ambulance, medical, rescue, or auxiliary services provided by fire protection agencies. Entities that provide ambulance services exclusively are classified under code 32 other health.

## 25 Judicial and legal - activity code

Courts, law libraries, legal departments, attorneys' offices, registers of wills, and so forth.

## 29 Central staff services/central administration - activity code

Office of the chief executive, mayor, and so forth, central personnel administration, overall planning and zoning, clerk's office, central staff executive and administrative agencies, city or county council, board of supervisors, and so forth.

## 31 General public buildings - activity code

Construction, equipping, maintenance, and operation of general public buildings not related to specific functions or agencies.

## 32 Other health - function code and activity code

Provision of services for the conservation and improvement of public health other than hospital care and financial support of other governments' health programs. Includes ambulance service if provided separately from fire protection services, mosquito and pest abatement (also called vector control), regulation of air and water quality, and much more.



Pest abatement that directly affects agriculture is classified under function code 59. These are typically citrus pest control, cotton pest control, rice pest control, or stone and pome fruit pest control districts.

#### 40/36 Hospitals - 40 function code and 36 activity code

Financing, construction, acquisition, maintenance, or operations of facilities providing in-patient medical care and institutions primarily providing the care and treatment of the handicapped that are directly administered by a government, including those operated by public universities. This function code also includes direct payments for the acquisition or construction of hospitals regardless of whether the government will operate the completed facility. Entities that are financing debt for the purpose of building private hospitals are coded to this function code and activity code.

#### 41 Industrial development - function code

Includes industrial development authorities, business district authorities, downtown business district authorities, and economic development authorities. These entities are financing public debt for private purposes. In Pennsylvania, these may be called municipal authorities (a generic name for many types of authorities in that state). Note that business improvement districts are usually considered dependent agencies and are classified under activity code 89.

Port financing entities that exist to finance public debt for private purposes are assigned to this function code if the ports they are financing are assigned to function code 87. If any of the ports the entity is financing are assigned to function code 99, the port financing entity is assigned to function code 99. Port financing entities that finance public debt for public purposes are assigned to function code 87.

#### 42 Mortgage credit - function code

These are typically called "housing finance authority" or "housing finance corporation."

#### 44 Highways - Nontoll - function code and activity code

Maintenance, operation, repair, and construction of nontoll highways, streets, road, alleys, sidewalks, bridges, tunnels, ferry boats, viaducts, and related structures.

#### 50 Housing and community development - function code and activity code

Construction, operation, and support of housing and redevelopment projects and other activities to promote or aid public and private housing and community development.

## 51 Drainage - function code

These districts vary by name from state to state including: drainage, slough, slough drainage, ditch, tax ditch, special drainage, drainage improvement, water control, conservancy, and water management.

## 52 Libraries - function code and activity code

Establishment and provision of libraries for use by the general public and the technical and financial support of privately operated libraries. Law libraries are reported under code 25 judicial and legal.

## 59 Other natural resources - function code and activity code

Conservation, promotion, and development of natural resources (soil, water, minerals, and so forth) and the regulation of industries that develop, utilize, or affect natural resources other than those categorized as codes 51 drainage, 63 flood control, 64 irrigation, 86 reclamation, or 88 soil and water conservation.

Watershed districts are coded here if several natural resource functions are engaged in at a substantial level (20 percent or more each). For watershed districts that also supply water, however, see function code 97. Function code 63 is the default code for watersheds.

Pest abatement that directly affects agriculture is classified under function code 59. These are typically citrus pest control, cotton pest control, rice pest control, or stone and pome fruit pest control districts. Pest abatement that directly affects humans is classified under function code 32. These districts are usually called mosquito abatement, vector control or pest abatement districts

## 60 Parking facilities - function code and activity code

Provision, construction, maintenance, and operation of local government public parking facilities (parking lots, garages, parking meters) operated on a commercial basis.

## 61 Parks and recreation - function code and activity code

Provision and support of recreational and cultural-scientific facilities maintained for the benefit of residents and visitors. Includes golf courses, playgrounds, tennis courts, public beaches, swimming pools, play fields, parks, camping areas, recreational piers and marinas, galleries, museums, zoos, botanical gardens, auditoriums, stadiums, recreational centers, exhibition halls, and so forth. Also includes forest preserves. The default function code for civic center authorities is 89 because they can perform a variety of functions; however, if the function is known, they are classified under it (usually 61).

## 62 Police protection - activity code

Police departments; sheriff departments and offices; state highway patrol departments; police training academies; coroners, medical examiners, forensic services, and crime laboratories; facilities used exclusively for police purposes.

63 Flood control - function code

Includes levee districts. (A levee provides for the storage of irrigation water to prevent flood damage.)

This is the default code for watershed districts. See function code 59 for watershed districts engaged in several natural resource functions. See function code 97 for watershed districts that also supply water. A watershed district could be also coded to any of the other natural resource codes (51, 64, 86, or 88) if flood control is less than 20 percent of its functions and only one other function is engaged in.

64 Irrigation - function code

77 Welfare institutions - activity code

Provision, construction, and maintenance of nursing homes and welfare institutions owned and operated by a government for the benefit of veterans or needy persons. Includes public nursing homes, veterans' homes, soldiers' homes, orphanages, homes for the elderly, and indigent care institutions (nonhospital).

79 Other public welfare - function code and activity code

Social service departments, welfare departments, homeless shelters, nonresidential shelters for children, support of private welfare institutions, transportation for the disabled, and the like. For special districts, public nursing homes go into this function code because 77 is an activity code only.

80 Sewerage - function code and activity code

Provision, maintenance, and operation of sanitary and storm sewer systems and sewage disposal and treatment facilities. In Pennsylvania, these may be called municipal authorities (a generic name for many types of authorities in that state).

81 Solid waste management - function code and activity code

Collection, removal, and disposal of garbage, refuse, hazardous wastes, and other solid wastes and cleaning of streets, alleys, and sidewalks.

86 Reclamation - function code

## 87 Sea and inland port facilities - function code and activity code

Provision, construction, operation, maintenance, and support of public waterways and harbors, docks, wharves, and related marine terminal facilities and the regulation of the water transportation industry. Ports may have airports, provide fire protection, be part of an economic development plan, build highways, affect natural resources, provide parking facilities, and maintain a police force - they still belong under function code 87 if their major function, ports, is 80 percent or more of their activity.

Port financing entities that exist to finance public debt for public purposes are assigned to function code 41 if the ports they are financing are assigned to function code 87. If any of the ports the entity is financing are assigned to function code 99, the port financing entity is assigned to function code 99. Port financing entities that finance public debt for private purposes are assigned to function code 87.

## 88 Soil and water conservation - function code

## 89 Other and unallocable - function code and activity code

Activities that are not applicable to any of the other codes or are not allocable to any. The default function code for civic center authorities is 89 because they can perform a variety of functions; however, if the function is known, they are classified under it (usually 61). Business improvement districts perform economic development but are dependent agencies and, thus, are classified under activity code 89.

## 90 Liquor stores - activity code

Establishment and operation of alcoholic beverage distribution facilities and retail outlets owned and operated by some states and by local governments in a few states.

## 91 Water supply - function code and activity code

Operation, maintenance, and construction of public water supply systems including the production, acquisition, and distribution of water to the general public or to other public or private utilities for residential, commercial, or industrial use. The acquisition and distribution of water for the irrigation of agricultural lands are classified as 64 irrigation.

In Pennsylvania, these may be called municipal authorities (a generic name for many types of authorities in that state).

## 92 Electric power - function code and activity code

Operation, maintenance, and construction of public electric power systems including the production, acquisition, and distribution of electricity to the general public or to other public or private utilities for residential, commercial, or industrial use.

93 Gas supply - function code and activity code

Operation, maintenance, and construction of public gas supply systems including the production, acquisition, and distribution of gas to the general public or to other public or private utilities for residential, commercial, or industrial use.

94 Public mass transit systems - function code and activity code

Operation, maintenance, and construction of public mass transit systems including subways, surface rails, and buses. Systems solely to transport elementary and secondary school districts are excluded. Ferry systems are classified as 44 highways.

96 Fire protection and water supply - function code

97 Natural resources and water supply - function code

Includes drainage, flood control, irrigation, reclamation, soil and water conservation, watersheds, and groundwater management districts that also supply water and the secondary function (the secondary function could be either water supply or all natural resources considered as a group) is at least 20 percent.

98 Sewerage and water supply - function code and activity code

99 Other multifunction districts - function code and activity code

If an entity has less than 80 percent in one function, the entity belongs in this function code. The surveys will recode the entity's data to the various functions the entity performs for data tabulation.

X1 Public employee retirement systems - activity code

Distribution of cash benefits or withdrawals to eligible persons under government-administered employee retirement systems covering public employees.

Y1 Workers' compensations systems - activity code

Distribution of cash benefits to eligible persons under state-administered plans for compulsory accident and injury insurance of workers. This activity code is only valid for state supplements.

## Appendix C. Classification Ruling Form

<b>CLASSIFICATION RULING REQUEST</b> Governments Division		Instructions: Please complete Items 1 through 11 and submit this to the Program Evaluation Branch.			
1. Name of Requestor					
2. Name of Branch					
3. Telephone			4. Date of Request		
5. Name of State					
6. ID on File					
7. Subject					
8. Address  (if known)					
9. Sample/ Jacket Mark (x)		Sample Unit	yes		no
		Jacket Unit	yes		no
10. Question or Situation					
11. Source/ Contacts					
11a. Survey				Survey Year	
11b. Contacts  (name and title)	1.	Telephone Number (include area code)			
	2.				
	3.				
11c. Other					

Program Evaluation Branch Use Only				
12. Ruling				
13. Sources Consulted				
14. Action Code - Mark (x):		16. Electronic Files Changed - Mark (x):		
Add		Local government table		
Removal		State supplement table		
Disinc		Local supplement table		
Name		Employment mail table		
Merge		Finance mail table		
Dep		Dependent agency listing (WP)		
15. Other Actions:		17. Year Code		
Function code from          to		18. Effective Date		
Address to		19. For adds, record the new ID number:		
		ID#		
20. Signature of Reviewer			Date	
21. Signature of Supervisor			Date	
22. Concurring Signature			Date	
23. Disk ID	Doc	R, page	File ID	2002 -



## Appendix D. Classification Worksheet

# Worksheet for the Classification of Governmental Entities

Entity or Class of Entity	State																											
Legislation    //state general code    //state special act    //local ordinance    (check and name below)																												
Classification: (check)  <div style="display: flex; justify-content: space-between; padding: 5px;"> <span>//special district</span> <span>//state dependent</span> <span>//county dependent</span> <span>//municipal dependent</span> </div> <div style="display: flex; justify-content: space-between; padding: 5px;"> <span>//joint county dependent</span> <span>//joint municipal dependent</span> <span>//joint city-county dependent</span> </div> <div style="display: flex; justify-content: space-between; padding: 5px;"> <span>//out of scope</span> <span>//planning organization</span> <span>//other _____</span> </div>																												
<p>Purpose of This Worksheet</p> <p>This worksheet is used to determine if entities or classes of entities authorized by state legislation are governmental in nature, and, if so, to determine the type of governmental entity. This worksheet has three sections. The first section allows a comparison of the characteristics of the entity under analysis to the criteria for governmental entities and special districts. These criteria are found in the definition of a government as described in Volume 1. The second section allows a comparison to lists of characteristics of dependent agencies and private entities. Possession of any of these characteristics means the entity is a dependent agency or private. The third section allows the documentation of further analysis and additional basic information about the entity.</p> <p>An entity must possess all three major characteristics to be an independent government, that is, a special district. Entities that exist as organized entities and possess governmental character but lack substantial autonomy are dependent agencies of another government.</p>																												
<b>Criteria for Governmental Nature - Governments and Dependent Agencies</b> See the office manual for additional characteristics that may influence the decision.																												
<div style="border: 1px solid black; padding: 5px;"> <p><b>A. Major Characteristic - Existence as an Organized Entity</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; vertical-align: top;">A.</td> <td style="width: 70%;">Evidence of organization (must have A 1 or A2 to be a governmental entity; must have A2 to be a special district)</td> <td style="width: 20%;"></td> </tr> <tr> <td>1.</td> <td>Presence of some form of organization (such as “body corporate and politic”)</td> <td>A1</td> </tr> <tr> <td>2.</td> <td>Possession of corporate powers .....</td> <td></td> </tr> <tr> <td></td> <td>a) Sue and be sued .....</td> <td>A2a</td> </tr> <tr> <td></td> <td>b) Have a corporate name .....</td> <td>A2b</td> </tr> <tr> <td></td> <td>c) Enter into contracts (public or private) .....</td> <td>A2c</td> </tr> <tr> <td></td> <td>d) Perpetual succession .....</td> <td>A2d</td> </tr> <tr> <td></td> <td>e) Acquire and dispose of property .....</td> <td>A2e</td> </tr> <tr> <td>2)</td> <td>Existence, that is, active status (need to be counted, not needed to be listed in Volume 1) .....</td> <td>B</td> </tr> </table> </div>		A.	Evidence of organization (must have A 1 or A2 to be a governmental entity; must have A2 to be a special district)		1.	Presence of some form of organization (such as “body corporate and politic”)	A1	2.	Possession of corporate powers .....			a) Sue and be sued .....	A2a		b) Have a corporate name .....	A2b		c) Enter into contracts (public or private) .....	A2c		d) Perpetual succession .....	A2d		e) Acquire and dispose of property .....	A2e	2)	Existence, that is, active status (need to be counted, not needed to be listed in Volume 1) .....	B
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	b) Have a corporate name .....	A2b																										
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	d) Perpetual succession .....	A2d																										
	e) Acquire and dispose of property .....	A2e																										
2)	Existence, that is, active status (need to be counted, not needed to be listed in Volume 1) .....	B																										

**II. Major Characteristic - Governmental Character** (must have one characteristic from A or B)

- |    |   |     |
|----|---|-----|
| A. | Responsibility to the public                                  |     |
| 1) | Public accountability   |     |
| a) | Public reporting . . . . .                                    | A1a |
| b) | Public inspection records (such as an audit) . . . . .        | A1b |
| 2) | Public administration   |     |
| a) | Popularly elected officials . . . . .                         | A2a |
| b) | Officials are appointed by public officials . . . . .         | A2b |
| c) | Officials of another government govern ex officio . . . . .   | A2c |
| B. | Authority   |     |
| 1) | Levy taxes . . . . .  | B1  |
| 2) | Issue tax-exempt debt (federally tax-exempt bonds) . . . . .  | B2  |
| 3) | Perform a function that is essentially governmental . . . . . | B3  |

**Additional Criteria for Governments**

**Major Characteristic: Substantial Autonomy**

See the office manual for additional characteristics that may influence the decision.  
The entity must have one characteristic from each of I and II below to be a special district.

- |     |  |   |
|-----|--|---|
| I.  | Fiscal Independence  |   |
| A.  | Determine budget without review and detailed modification . . . . .  | A |
| B.  | Determine taxes to be levied (direct or indirect) . . . . .  | B |
| C.  | Issue debt without review . . . . .  | C |
| D.  | Fix and collect charges for services or facilities . . . . .   | D |
| II. | Administrative Independence  |   |
| A.  | Governing body that is popularly elected or elected by benefitted citizens . . . . .   | A |
| B.  | Governing body representing two or more state or local governments . . . . .   | B |
| C.  | Even if the governing body is appointed, the functions essentially differ from and are not subject to specification by the creating agency . . . . . | C |

Note: Autonomy is subject to statutory limitations and any supervision of local governments by the state.

### **Common Characteristics of Dependent Agencies**

See the office manual for additional characteristics that may influence the decision.

If an entity possesses any of these characteristics, it is NOT a special district.

Control of the agency by a board composed wholly or mainly of parent government officials (does not apply if the agency has two or more parent governments and considerable fiscal autonomy)

After agency debt is repaid, properties and responsibilities revert to the creating or controlling government (does not apply if the property reverts to more than one government)

Approval of agency plans by creating or controlling government required\*

Legislative and executive specification of type and location of agency's facilities to be built and maintained\*

Control by the agency over facilities that supplement, serve, or take the place of facilities ordinarily provided by the creating governments\*

Dependence on all or much of revenue from appropriations, allocations, or bond approvals made at the discretion of another government\*

Approval or oversight (review and detailed modification) of agency budgets by a local or state government.\* County review related to statutory limitations on tax rates is not a lack of autonomy

Board members serve at the pleasure of the creating government\*

Entity can be dissolved by creating government(s) at any time (does not apply if dissolution is allowed only when debt is repaid or property is disposed of)

\* See the chapter on classification for a discussion of controls and multiple creating governments.

### **Common Characteristics of Private Entities**

See the office manual for additional characteristics that may influence the decision.

If an entity possesses any of these characteristics, it is NOT a government.

Creation as a 501(3)(c) with a simple majority of the board private and no overwhelming evidence of responsibility to the public or governmental authority

Board is elected by corporation members. No public reporting or audits. No public authority (cannot levy taxes or issue tax-exempt debt).

Majority of board is private. No public reporting or audits. No public authority (cannot levy taxes or issue tax-exempt debt).

The authorizing legislation does not specify any responsibility to the public or public authority.

Additional Basic Information About the Entity or Class of Entities	
Additional analysis of the classification decision	<div></div> <div>Is the final classification based solely on data collection purposes?</div>
Areas served	<div></div>
Method of establishment (including department established under, if applicable)	<div></div> <div>Incorporation date:</div>
Function  Hire employees? Yes    No (Circle one.)	<div></div> <div>Function or activity code:</div>
Nature and manner of selection of governing body	<div></div>
Description of revenue powers (checked above)	<div></div>
Additional authorized financing methods	<div></div>
Notes	<div></div>

## Appendix E. State Research Status Form

STATE: Maryland		
Research Performed for the 2002 Census of Governments (list the name of the source and where you obtained it from such as the state office, address, and telephone number)	Years Researched	Date Finished
<b><i>Directory Research</i></b>		
2002 G-24s		
Mergent's for new entities		
public watershed associations <a href="http://www.saveourstreams.org/SOS-baltimorecity.htm">http://www.saveourstreams.org/SOS-baltimorecity.htm</a>		
soil conservation districts MD Dept of Agriculture 410-841-5700 <a href="http://www.mda.state.md.us">www.mda.state.md.us</a>		
library districts NCES public library locator		
housing authorities HUD online list		
sanitary or metropolitan districts web searches and news searches		
drainage districts Tried the MD dept of natural resources and the MD dept of the environment and web searches and news searches- nothing. Many of these were disinc'd in the last five years.		
special tax districts The old source, the state dept of assessments and taxation, denied having a list. Also tried the MD legislative services and the MD municipal league and web searches and news searches. Nothing from any of these. However, the G-24s provided many new ones.		
<b><i>Legislative Research</i></b>		
Sources: Lexis/Nexis and American Law Sources Online		
1994 - 2002 session laws		
2001 code		

The G-24s and Mergent's apply to all states. The other sources listed under directory research are common examples that may or may not apply to any individual state. Also see the office sources database.

## Appendix F. Data Sources



## Data Sources by Topic

These sources either do not appear in the office sources database or are available in hard copy or on disk in Governments Division. A list of sources for addresses appears at the end of this appendix.

### All Governments

American Law Sources Online (state codes, session laws, attorney general's opinions)

American Legal Publishing Corporation (local ordinances)

[http://www.amlegal.com/online\\_library.htm](http://www.amlegal.com/online_library.htm)

central sources (Governments Division)

fairly comprehensive state listings of state agencies and local governments regularly obtained by the Finance and Employment branches

classification rulings (Governments Division)

The results of an analysis of the authorizing legislation for an entity or class of entities to determine whether the entity is a special district or a dependent agency of another government. Room 511

Directory of Regional Councils in the United States

annual; produced by the National Association of Regional Councils; Room 511

governments directory (Governments Division)

also called the Governments Integrated Directory (GID); the universe file of governments in the United States. A network database accessible on each employee's computer.

Governments Division reports

statistics and state descriptions published by Governments Division; all Governments Division offices. The Census of Governments began in 1942 as small surveys published as special reports. Prior to 1942, decennial reports on finance and employment activities of all government units were issued under the title of Wealth, Debt, and Taxation following a census taken in years ending in "2." The first full-scale census was in 1957. A census has been conducted every five years since then. The elected officials survey was conducted every ten years until 1992.

legislative research files (classification staff)

state legislative research pertaining to governments; Room 511

Lexis

A subscription information service. Lexis contains state codes, corporate filings with each secretary of state, news files, a property locator, and a business locator. On each employee's computer.

Library of Congress Law Library

James Madison Memorial Building, 101 Independence Avenue S.E., Room LM-201,  
Washington, D.C.

Municipal Code Corporation (local ordinances)

<http://www.municode.com/>

office sources database

GOVS05/research tools/resource. This database contains both Internet and hardcopy sources by type for special districts and dependent agencies.

Rand-McNally Commercial Atlas and Marketing Guide

annual; particularly useful for identifying cities to cover a state for yellow pages web searches; Room 511.

state government home pages

State home pages are potential sources of listings and contacts. You can access them by going to the state record in the governments directory. On each employee's computer.

state statutes and uncodified session laws

updated annually; authorizing legislation for governmental entities and elective offices; printed, 4th Floor; online in Lexis; online at state home pages.

## **State and Local Governments**

audit reports of state and local governments

annual or biennial; for documentation in cases where specific questions concerning classification of governments and their agencies have arisen - helpful for determining fiscal and organizational relationships; 4th Floor: Financial statements received by mail are in the library budget area. Financial statements gathered by field agents for counties and cities meeting population criteria are kept in "jackets" on shelves next to the library.

Geography Division memoranda (Census Bureau)

memoranda ("W-memos" and DP-150 forms) indicating changes (new incorporations, disincorporations, name changes, mergers, and so forth) involving county, municipal, and township governments;

Room 511

state legislative manuals or blue books

annual; titles vary; agencies and elected officials of state governments; useful for state organization and for names and addresses; 4th Floor

## **Schools**

### Directory of Education Agencies

annual; published by the Council of Chief State School Officers; Room 511.

### National Charter School Directory

annual. The Center for Education Reform, Washington, D.C.

### public school directories (state)

annual; published by state departments of education; names and addresses of school district governments and dependent public school systems; Elementary and Secondary Branch (by Sharon Meade's desk)

### Post Secondary Institutions, Directory of (U.S. Department of Education, National Center for Education Statistics)

annual; institutions of higher education operated by state and local governments; Room 511

## **Special Districts - All Types**

### The Bond Buyer

daily; governmental entities issuing large amounts of bonded debt; circulates through the division

### directory research files (classification staff)

directories and listings obtained from state sources, especially listings of special districts; Room 511

### Mergent's Municipal and Government Manual

annual; governmental entities issuing large amounts of bonded debt; recent volumes list some public debt for private purposes issue information; Room 511

### office sources database

GOVS05/research tools/resource. This database contains both Internet and hardcopy sources by type for special districts and dependent agencies.

### property tax value reports

potential lists of special districts. John Kennedy's desk, 4th Floor.

### secretary of state files

available on Lexis or at the state home page.

## **Retirement Systems**

### audit reports of state and local governments

4th Floor

## **Courts**

Criminal Justice branch (Governments Division)

court system reports (state)

annual; titles vary; the structure of state judicial systems, and the number of judges and other judicial officers; 4th Floor

GOVS05/research tools/courts

A research project completed for the U.S. Department of Justice. A listing of all state courts.

National Center for State Courts

[www.ncsconline.org](http://www.ncsconline.org). Look under research publications for the report: State Court Organization.

state court administrators

## **Federal Agencies**

U.S. Government Manual (U.S. National Archives and Records Administration)

annual; lists federal agencies; in most branch chiefs' offices

## **FIPS Place Codes**

FIPS place codes

print outs; hallway bookcase near school survey branches

## **Address Sources**

American Correctional Association guide

Room 511

American Hospital Association Guide

Room 511

audit reports ( county or city)

4th floor

blue books or legislative manuals (state)

4th floor

Carroll's Municipal and County Directory and State Directory

addresses and telephone numbers for municipalities and counties in the county directory, and state offices in the state directory. 4th Floor, Librarian's desk. Also online at

<http://subscribers.carrollpub.com/Subscribers/startpage.asp>

central sources (Governments Division)  
4th floor

county or city clerks

Find the telephone number from the governments directory or one of the sources listed here to call and ask for the addresses of special districts or dependent agencies.

Criminal Justice branch (Governments Division)

directory research files (classification staff)  
Room 511

elections offices (state or local)

Online. For local elections offices, you probably need to call for the information.

Federal Aviation Administration master records  
<http://www1.faa.gov/arp/5010/5010rpt.htm>

Fire Chiefs and Emergency Departments, National Directory of  
Room 511

Housing and Redevelopment Organizations, Directory of  
Room 511

<http://officialcitysites.org/>  
For locating the county a municipality is in.

<http://www.knowx.com/>  
For locating the city a special district is in.

[http://www.usps.com/ncsc/lookups/lookup\\_zip+4.html](http://www.usps.com/ncsc/lookups/lookup_zip+4.html)  
For zip codes.

Internet web searches

Searching on the name of the entity may produce an address or telephone number.

secretary of state files

available on Lexis or at the state home page

municipal directories (state)  
4th Floor library

public school directories (state)  
Elementary and Secondary Branch (by Sharon Meade's desk)

telephone books

the state and federal yellow pages, Room 511; various legislative phone books, 4th Floor library

Yahoo yellow pages (or similar search engine)

For location, it works best to use a zip code (look in the governments directory, the American FactFinder, or the U.S. Postal Service's online zip code locator). For counties and municipalities, try clerk, mayor, election (for election boards or supervisors), town, city, post office, and the like. You could also look for voter registration offices or 911 offices.

## Appendix G. Lexis Search Form

This is an example of searches that can be done on Lexis for new entities. Many of the classes of entities listed as keywords commonly exist in many states. However, a state can always create yet another class of water districts or create water districts by special acts. Feel free to experiment and find the best searches.

States sometimes have terms peculiar to that state. For example, Kentucky likes to create public entities called corporations. You would want to add such terms to the search. Also, if your search turns up many responses, you can add HEADING before the keywords to further limit your search.

## Lexis State Searches

### *Foundation of the search:*

(creat! w/25 (authority or board or commission or district or foundation)) and (CITE (1998 or 1999 or 2000 or 2001 or 2002)) and ((seal w/10 (adopt or alter or use or common or corporate or official )) or (sue) or (body w/3 (corporate or politic))) and\*

### *Keywords:*

(education or school)	(library or cemetery)
(highway or transportation or turnpike or tunnel or bridge or transit or road or traffic or lighting or corridor or ferry or parking or airport or aviation or port or harbor or wharf or navigation or rail!)	(stadium or auditorium or coliseum or convention or tourism or museum or exposition or sports or art or arts or baseball or ballpark or golf or music or memorial or historical or park or recreation or lake or theater or center or zoo!)
(housing or community)	(beach or shore or reef or seawall)
((economic or industrial) and development)	(geologic hazard or geothermal or geographic or weather or earthquake)
(electric or gas or power or energy or hydroelectric)	(juvenile or jail or prison or correction!)
(resource recovery or conservation or reclamation or conservancy or pollution or restoration or preservation or natural resource! or animal or predator!)	(hospital or health or childhood or tobacco or spinal or brain or pest! or mosquito or vector or emergenc! or ambulance or rescue or 911 or aging or fire ant!)
(agriculture or drainage or irrigation or flood or ground water or levee or watershed or aquifer)	(sanitary or waste or water or sewer or utility or refuse or garbage or incinerator or fire)
(market or farm)	(technology or television or translator)
((finance or river or loan) w/3 authorit!)	((police or metropolitan) w/3 (district! or authorit!))
((improvement or control or service or nursing home) w/3 district!)	(development w/3 (district! or authorit! or agenc!))
((public w/3 building!) or (public w/3 facilit!))	

\*For joint powers, add: separate w/3 legal or administrative w/3 entity



repeal! W/10 (authority or board or district or foundation or commission) and (years)
---

## Appendix H. Pennsylvania Directory Research

The following is a suggested procedure for reconciling the Pennsylvania Directory of Municipal Authorities to the governments directory. Your objectives are to find new entities, find entities that have ceased to exist and no longer have debt, and find entities that were previously disincorporated but have since become active (reincorporations).

Step 1            Create the database

Create a database of just the entities that appear on the Pennsylvania Directory of Municipal Authorities and are not duplicates. The annotations fields contain codes to help you. The codes !municipal authority! and !not municipal authority! mean an entity is on the municipal directory. Choose both of these codes. Omit records with the code !duplicate!. See Appendix O for instructions on exporting a database view to Microsoft Access where you can conduct queries.

Step 1            Print the lists

Print out the database the fields: unit id, name, incorporation date, disincorporation date, and function code. It is helpful to print each county separately. Print out the Pennsylvania Directory of Municipal Authorities.

Step 2            Match the lists

Identify all entities that are presently in the governments directory and on the municipal directory. Write the ids on the municipal directory next to the names. Do this for all entities regardless of their active, inactive, or disincorporated status.

Step 3            Add new entities

Check to see if the entities on the municipal directory without ids are active per the municipal directory. Add these active entities to the governments directory and enter !municipal authority! in the annotations field. Do not add entities that are inactive or terminated per the municipal directory. Write the new id next to the name on the municipal directory; this will show that the entity is accounted for.

Exceptions: Not all of the entities on the Pennsylvania Directory of Municipal Authorities were created under the Municipal Authority Act of 1945. Look for authorities that were created under the neighborhood improvement district act or the county authorities in counties of the second class and second class A act - these entities are dependent agencies per rulings. Do not add them to the governments directory as special districts. Also look for entities that were created under various other acts and are special districts. Add them to the governments directory with the code !not municipal authority!. This means they are on the municipal list but were not created under the municipal authority act. See the memorandum for the record dated September 6, 2002.

Step 4            Identify inactive and disincorporated entities that need no further action

Identify entities that are terminated or inactive per the municipal directory and look to see if they are on the governments list. For the entities that are also discontinued on the governments list or are not on the governments list, place a mark next to the name of each entity (on the municipal list). Place a mark next to the “terminated” that corresponds to that entity. You do not need to place a mark next to the “inactives.” Place a mark next to the discontinuation date for the entity on the governments list, if applicable.

Step 5 Identify new discontinuations

Identify entities that are terminated per the municipal directory and do not have a mark next to them and find them on the governments list. (You do not need to look for inactives on the municipal list. We keep these active in the governments directory unless they come to our attention through the surveys.) Research the municipal authority debt summary and Mergent’s to see if the entity still has debt. If not, discontinue the entity. If so, do **not** discontinue the entity. Instead, put a note in the annotations field that the entity still has debt as of [date].

Step 6 Identify the reincorporations

Work down the governments list looking for discontinuation dates that do not have checkmarks. For these entities, check the status in the municipal directory. If the entity has become active or was discontinued in error, reincorporate the entity. Do not reincorporate entities that are inactive or terminated.

When you are finished, all entities in the municipal directory will have an existing id, a new id, or a mark (meaning not in the governments directory) next to the name. You will have identified the adds, the discontinuations, and the reincorporations.

Use the following rules for presenting the names of the municipal authorities:

- Start with the county, city, borough, or township name.
- Spell out all words. If you must abbreviate due to space limitations, choose “authority” or another word near the end of the name to abbreviate - this will help maintain alphabetical order.
- For “township of,” “borough of,” and so forth, drop the “of” and the commas.
- If the name lists municipality followed by the county in commas (Milton Township, Bradley County, Water Authority), drop the name of the county. This is not a joint entity, it is simply naming the county. However, “Milton Township Bradley County” should be assumed to be a joint entity and both names should be listed.
- You may add the function in parentheses to the name if the function is not obvious. This will aid in future matching.

- Key the name exactly as it appears in the Pennsylvania Directory of Municipal Authorities with only the above exceptions. Many names are very similar and deviations from the Pennsylvania directory's version can lead to confusion.

For example: Suppose you see an entity listed as Perry School District Authority but you enter it as Perry School Authority. Five years later, the following listings appear in the Pennsylvania directory:

Perry School District Authority  
Perry Municipal Authority (with school listed as its function)  
Perry Area Joint School Authority

The analyst may have much difficulty matching these up.

Also, do not assume that an entity is affiliated with a particular county, city, borough, or township. In Pennsylvania, many names are very common for the names of localities. For example, you may find a Washington county, a Washington borough, and a Washington township.

# Appendix I. Legislative Research Worksheet

Census Bureau  
Governments Division  
Legislative Research  
Date; researcher

State of  
Classification  
ID Number  
Doc

NAME OF ENTITY

CITE

ESTABLISHMENT

PURPOSE

AREA SERVED

GOVERNING BODY

CORP STATUS AND POWERS

TITLE TO PROPERTY

ADMINISTRATIVE CONTROL

REVENUE

BORROWING

REPORTS

## Appendix J. Examples of Classification

The following examples were selected to make certain distinct points. You may find this appendix to be a good source of precedents for difficult rulings.

Only selected information is shown for each example. If you wish to review the entire example, you will need to access the office's electronic library or the legislative research files. Some of the examples appear in the current Volume 1.

## **General Laws Versus Special Acts**

### **Example GL1. Tourist commissions/convention and visitors bureaus in Louisiana**

issue: General laws and special acts are completely different laws even though they are authorizing similar entities. In Louisiana, a general law authorizes the creation of tourist commissions. Two tourist commissions, however, were previously created by special acts. Mention of this was made in the ruling for the general law to avoid confusion. Note, however, that this ruling had no effect on the classification of the entities created under special act.

## **Governmental Character - Responsibility to the Public - Public Administration**

### **Example PA1. Mississippi Higher Education Assistance Corporation**

basics: This entity was created by special act as a private nonprofit corporation. Its board is elected by the corporation. It can issue tax-exempt debt through a public entity.

issue: If an entity is created as a private nonprofit corporation, it is private.

### **Example PA2. Lamar County Livestock and Agricultural Exposition Authority (Georgia)**

basics: This entity was created by special act. It was organized under 501(3)(c) of the internal revenue code. It has a board appointed by one county and several cities. The entity may issue bonds.

issue: An entity organized as a 501(3)(c) may be a private nonprofit or a public nonprofit. We must still look at the board. If a simple majority of the board is private, then the entity is private except if there is overwhelming evidence of responsibility to the public or governmental authority. In this case, the entire board is public and, thus, the entity is public.

This example illustrates the common characteristic of private entities on the classification worksheet: "Creation as a 501(c)(3) with a simple majority of the board private and no overwhelming evidence of responsibility to the public or governmental authority."

### **Example PA3. Iowa Export Trading Company**



basics: This entity was created by the state director of economic development. The board is elected by company members. The funding is from stock issues.

issue: This entity fails both tests for governmental character. It does not have public authority. When the board is elected by the company members, there is no evidence of responsibility to the public. This entity is private.

This example illustrates the common characteristic of private entities on the classification worksheet: "Board is elected by corporation members. No public reporting or audits. No public authority (cannot levy taxes or issue tax-exempt debt)."

#### **Example PA4. Healthy Kids Corporation (New Hampshire)**

basics: This entity was created by special act. The board consists of appointees and ex officio members from both public and private entities. The majority of the board is private. Funding is through contributions and loans.

issue: This entity fails both tests for governmental character. This entity does not have public authority (power to levy taxes or issue federally tax-exempt debt or performance of an essentially governmental function). When the majority of the board is private and there are no public reporting requirements, there is not enough evidence of responsibility to the public. This entity is private.

This example illustrates the common characteristic of private entities on the classification worksheet: "Majority of board is private. No public reporting or audits. No public authority (cannot levy taxes or issue tax-exempt debt)."

### **Governmental Character - Authority - Levy Taxes**

#### **Example LT1. Fire districts in Mobile County in Alabama**

basics: These entities were created by special act. The boards are elected by the property owners. The districts may levy taxes and issue bonds. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: These entities were ruled to be special districts. They fail the first test of governmental character, responsibility to the public, because they are not subject to public reporting and the boards are not popularly elected. They do, however, pass the second test of governmental character, public authority, because they can levy taxes. If the bonds are federally tax-exempt, that also would be evidence of public authority. The power to levy taxes also is evidence of fiscal independence. The elected governing body as well as that fact that the functions differ from those of and are not subject to specification by the creating government are evidences of administrative independence. Note that the board is not popularly elected (evidence of governmental character)

but it is elected by benefitted citizens (evidence of administrative independence).

## **Public Versus Private - Other Considerations**

### **Example PP1. Carnegie Library of Pittsburgh (Pennsylvania)**

issue: This entity was originally classified as a dependent agency. The question is whether this entity, which receives city, county, and state funding, is public or private. Sometimes, for quasi-governmental entities, we have to look closely at the funding. City and county payments to this entity are lump sum. The payments do not specify amounts for salaries and wages. Budgeted amounts for city agencies like the water department do specify salaries and wages. This combined with a statement from the entity that it is a private nonprofit resulted in a ruling that the entity is private.

## **Administrative Independence - Governing Body Representing Two or More State or Local Governments**

### **Example TM1. Irrigation districts in Michigan**

basics: These are created at the county level. Their boards consist of the county drain commissioner ex officio, soil conservation district members ex officio, and one state official ex officio. They have fiscal autonomy.

issue: Even though the boards are entirely ex officio, they represent three governments. Thus, these districts have administrative autonomy along with fiscal autonomy and are special districts.

### **Example TM2. Chatham Area Transit Authority in Georgia**

basics: The board consists of nine ex officio members for the county and two members appointed by the county's municipalities. The entity can set fees and issue bonds.

issue: This is a multigovernment board, but it is not an independent board. We look at the majority for such determinations. In this case, the entity is county dependent.

### **Example TM3. Massachusetts Bay Transportation Authority**

basics: This entity's board is appointed by the Governor from lists offered by the local governments and other agencies. The entity has fiscal independence. It receives local funds.

issue: Generally, entities created by state law with a state-appointed board are state dependents. In this case, the local officials have strong control as to whom the appointees will be. This meets the criterion of a governing body representing two or more state or local governments and, thus, indicates administrative independence.

#### **Example TM4. Virginia Geographic Information Authority**

basics: The entity was created by special act. The board consists of state officials ex officio and state appointees from among state and local officials. The entity has fiscal independence.

issue: Again, generally, entities created by state law with a state-appointed board are state dependents. In this case, the law specifies that local officials be included. This meets the criterion of a governing body representing two or more state or local governments and, thus, indicates administrative independence.

#### **Administrative Independence - Even if the Governing Body is Appointed, the Functions Essentially Differ From and are Not Subject to Specification by the Creating Agency**

##### **Example NS1. Tuberculosis sanitarium districts in Illinois**

basics: These are created by the state circuit court. The boards are appointed by the state circuit court. These districts have fiscal autonomy.

issue: These districts are special districts. Though the boards are appointed, the entities' functions differ from and are not subject to specification by the creating governments. Note that to meet this criterion, the entity must possess property and must not perform an essential governmental function. For these districts, certain bond issues are subject to a state-wide popular referendum, but this does not affect the fiscal autonomy.

##### **Example NS2. Cotton pests abatement districts in California**

basics: These entities are created by county ordinance. The boards are elected. The entities can fix and collect fees.

issue: Other health activities, including pest control, are not essential governmental functions. Also, pest control entities would have substantial investments in equipment. Thus, these entities meet the criterion of "even if the governing body is appointed, the functions essentially differ from and are not subject to specification by the creating agency" and, thus, have administrative independence. However, for these entities, the property reverts to the county upon dissolution. This is evidence of county control. These entities are county dependent.

##### **Example NS3. Jackson County Sports Complex Authority (Missouri)**

basics: The entity was created by state law. The board consists of commissioners appointed by the Governor from a panel of name submitted by the county court. The entity has fiscal autonomy. The functions differ from those of and are not specified by the creating government.

issue: When a Governor appoints from nominees by a local government, the board represents the local government. This board represents the county; however, the functions differ from those of and are not subject to specification by the creating government. This is evidence of administrative autonomy. Thus, this entity has both administrative and fiscal autonomy and is a special district.

#### **Example NS4. Lee County Hyacinth Control District (Florida)**

basics: This entity was created by special act by the state. Its board is the Lee County Mosquito Control District board ex officio (the mosquito control district is a special district). The entity has fiscal autonomy.

issue: Sometimes special districts have subdistricts that are dependent agencies of the special district, but this is not the situation here. In this case, the hyacinth control district was created by the state and is a completely separate legal entity from the mosquito control board. It has its own funding. The hyacinth control district also has administrative autonomy from the creating agency, that is, its functions are essentially different from and not subject to specification from the state. That particular criterion usually references appointed boards, but, in this case, while this board is ex officio, the intent to keep this entity administratively separate from the creating government (the state) is present. Thus, the hyacinth control district is a special district.

### **Fiscal Independence - Determine Budget Without Review and Detailed Modification**

#### **Example RD1. Cooperation library boards in Michigan**

basics: These are created by agreement between participating public libraries. The appointed board represents the member libraries. These boards primarily receive state funds.

issue: If the state funds are insufficient, the member libraries are required to fund the deficit. This gives these boards fiscal autonomy. Combined with the administrative autonomy of a board representing the member libraries, these boards are special districts.

#### **Example RD2. Hospital districts in Arizona**

basics: These are created by petition and referendum at the local level. The board is elected. The districts decide their own budget, and the county board of supervisors is required to levy a tax sufficient to meet the obligation. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: Even though the county is levying the tax, the districts are in control because the tax levy is required by law. Also, bond issues by the district require voter approval, but this does not affect the autonomy. These districts are special districts.

## **Fiscal Independence - Determine Taxes to be Levied**

### **Example DT1. Troy Public Library District (New York)**

basics: This entity was created by special act. The board is elected. The entity can levy a tax. The creating government can issue bonds for it. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: The issue here is whether the entity has fiscal autonomy. Even though bond issues for the entity are made by the creating government, the entity has the power to levy taxes. Thus, it is not dependent on one government for the majority of its revenue. The entity is a special district.

## **Fiscal Independence - Issue Debt Without Review**

### **Example DR1. County fair and recreation boards in Nevada**

basics: The entities are created under state law. The county commissioners appoint the board. The majority of the funding is from taxes levied by the county. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: A new law allows these entities to issue revenue bonds. This ordinarily would be evidence of fiscal autonomy. In this case, however, the bonds will be paid by the taxes levied by the county. The tax to pay the bonds must be levied before the bonds may be issued. Because the county controls the tax, the entity effectively must have the creating government's approval to issue bonds. Thus, these entities are county dependent.

### **Example DR2. Hospital authorities in Alabama**

issue: In the example of the county fair and recreation boards in Nevada, the bonds were paid by a tax levied by the creating government and, thus, the boards are dependent. For the hospital authorities in Alabama, the hospitals have the power to issue bonds, which may be paid for with a county-levied tax. However, the hospitals can pledge their own revenue to pay for the bonds. Thus, the hospitals maintain autonomy and are special districts.

## **Fiscal Independence - Fix and Collect Charges for Services or Facilities**

### **Example SF1. Lincolnton-Cherryville Airport Authority (North Carolina)**

basics: This entity was created by special act. It has a multijurisdictional board. It can fix and collect fees. The creating governments can issue bonds for the authority and make appropriations. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: The issue here is whether the entity has fiscal autonomy. Because it is an airport, we can assume that the majority of its revenue will come from fees. Also, the entity has two creating governments and so it is not relying on just one for appropriations and bond issues. It does have fiscal autonomy and is a special district. Note, however, that joint and regional airport authorities in North Carolina fall under a blanket classification of special district.

### **Example SF2. City-county library commissions in Oklahoma**

basics: These entities are created by joint contract between a city and county. The boards are multijurisdictional. The entities can fix and collect fees. The entities may receive the proceeds of a statutory tax if approved by voters and may receive appropriations. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: The issue is whether the entity has fiscal autonomy. The entity may fix and collect fees, which is evidence of fiscal autonomy. However, a library would expect to collect little in fees. The majority of the libraries' income would be from appropriations. The tax is not definite. The entities are dependent. A second issue is determining which government or governments they are dependent on. Because both the city and county are represented on the board, both contribute funding, and there are no special fiscal or administrative controls, these entities are joint county-city dependent.

## **Controls and Factors**

### **Control - Property Reversion**

#### **Example CF - PR1. Bonnet Shores Land Trust (Rhode Island)**

basics: This entity was created by special act and resolution of the Bonnet Shores Fire District. The board is appointed by the fire district. Upon dissolution, the property reverts to the fire district.

issue: This is a subordinate (dependent) agency of a special district, not an independent government.

#### **Example CF - PR2. Community improvement districts in Georgia**

basics: These are created by local ordinance. They have fiscal autonomy. Their functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: Some ordinances will require that the property revert to the creating government upon dissolution. These districts must be classified on a case by case basis. Those without property reversion clauses are special districts in the absence of other controls. Those with property clauses are dependent agencies.

### **Example CF - PR3. Railroad authorities in Alabama**

basics: These entities are created by one or more local governments. They can issue bonds and set and collect fees.

issue: The law contains the control of property reversion to all creating governments. This control applies when there is only one creating government, but it does not apply when there are two or more governments. These entities are special districts.

## **Control - Dependence for Revenue**

### **Example CF - DR1. Chatham-Savannah Authority for the Homeless (Georgia)**

basics: This entity was created by special act. The board represents the state, county, and city. The funding is gifts, grants, and local contributions.

issue: This entity was ruled to be county dependent based on its dependence for revenue, presumably primarily from the county. If the entity was granted its own revenue powers, it would become a special district. Sometimes entities are later granted additional powers, but sometimes the powers of an entity are reduced by later legislation.

### **Example CF-DR2. Recreation systems created as authorities under general law in Georgia**

basics: These entities may be created by a municipality, county, or jointly by counties and/or municipalities. The boards are appointed by the creating government(s). The creating governments may issue bonds for the system or levy a special tax. The entities have no funding mechanisms of their own.

issue: Because these entities have no fiscal autonomy, all of these entities are dependent agencies. We assign the joint dependent agencies to the creating government that reports the data for the entity. Sometimes joint dependent agencies are made special districts for data collection purposes, but, in this case, the data must be included in the creating governments' financial statements.

## **Control - Approval or Oversight**

### **Example CF-AO1. Lafayette Economic Development Authority (Louisiana)**

basics: This entity was “created as a political subdivision of the state of Louisiana.” Its board is composed of appointees from several local governments and the president of the University of Southwestern Louisiana. The entity can levy taxes and issue bonds. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: The board has a multijurisdictional board and has evidence of fiscal autonomy, suggesting it is a special district. However, the law gives Lafayette Parish oversight on the budget, tax levies, and bond issues. Because the parish has fiscal control, this entity is a local dependent agency of the Lafayette Parish.

### **Example CF-AO2. Capital improvement boards (Indiana)**

basics: These entities are created by county ordinance. The boards have county and city representatives. These entities can issue bonds with county approval and fix and collect fees. The county may levy taxes for the entity. The budget is subject to county approval.

issue: The issue is whether these entities are county dependent or county-city dependent. The boards represent both the county and city suggesting the entities are county-city dependent. However, these entities are subject to fiscal controls by the county. Fiscal controls have greater weight than board composition. These entities are county dependent.

### **Example CF -AO3. Sanitation authorities (Arkansas)**

basics: The boards represent several governments. The entities can fix and collect fees. The entities can issue bonds with the approval of all participating governments.

issue: Generally, the fact that one of the revenue powers requires approval does not detract from the other revenue powers. In this case, the entities can expect substantial income from the fees and do not need the bonds for start-up capital. The entities are special districts.

## **Control - Dissolution**

### **Example CF- DI8. County hospital boards in Alabama**



basics: These entities are created under state law. The boards are appointed by the county. The entities may issue bonds and fix and collect fees. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: The county may dissolve the entity only if the entity has no property or debt. This dissolution clause has no effect on classification because of the limitations. The entities are special districts.

## **Factor - Deficit Funding**

### **Example CF- DF1. Worcester County Citizens Nursing Home Board (Maryland)**

basics: The entity has administrative autonomy. It has fiscal autonomy because it can fix and collect fees. It also may receive and probably is expected to receive state, federal, and local funds.

issue: Despite the administrative and fiscal autonomy, this entity is a county dependent because the county is responsible for funding deficits.

## **Factor - Surpluses Revert to Participating Governments**

### **Example CF - SR1. Birmingham Racing Commission (Alabama)**

basics: The entity has city, county, and state representatives on its boards. The entity can fix and collect fees. The income from the fees should be substantial. There are no controls.

issue: With administrative and fiscal autonomy, this entity appears to be a special district. However, the surplus funds revert to the member governments. In this case, the entity was created for the sole purpose of generating revenue for the member governments. The entity is, therefore, by its nature, dependent.

### **Example CF - SR2. Northeast Mississippi - Northwest Alabama Railroad Authority (Alabama)**

basics: This entity has a board representing multiple municipalities. It can issue bonds and fix and collect fees. There is a property reversion clause, but this does not apply as a control because of the multiple governments.

issue: Surplus funds revert to the member governments. In this case, however, this is not significant. This entity was created to serve a needed function, not as a revenue generator.

## **Two or More Controls or Factors**

### **Example CF-TW1. Municipal Gas Authority of Mississippi**

basics: This entity was created by resolution of the utility commission on approval of member municipalities. The board consists of appointees from member municipalities who serve at the pleasure of the appointing officials. The entity may issue bonds with the approval of the member municipalities and fix and collect fees. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: Two controls are authorized - appointees serve at the pleasure of the appointing officials and bonds require member approval. One of these controls alone combined with the fact that there is more than one creating government would be of no significance. The fact that there are two controls gives cause to consider making this a dependent. However, the entity should expect substantial income from fees and it was expected that many municipalities would join (diluting the control over the appointees) - the entity was ruled to be a special district.

### **Example CF-TW2. Market authorities in Michigan**

basics: These entities are created by city ordinance. The entities may issue bonds and fix fees, evidence of fiscal autonomy.

issue: The board number and manner of appointment are set out in the creating ordinance. Thus, ex officio boards are allowed. In addition, there are two factors to consider: (1) excess revenues revert to the city general fund and (2) the sale of real property requires city approval. The intent of the law is to create dependent entities.

### **Example CF-TW3. Garrett County Memorial Hospital (Maryland)**

basics: This entity's board consists of private appointees, county appointees, county ex officio, and city ex officio. No appointing entity has a majority. The entity has fiscal autonomy through the power to fix and collect fees for services.

issue: Title to the hospital property is vested in the county. The criterion: "even if the governing body is appointed, the functions essentially differ from and are not subject to specification by the creating agency" applies only if the entity can own property. Thus, the entity cannot have administrative autonomy. Also, the county is responsible for funding deficits making the county ultimately responsible for finances of the entity. The entity is county dependent.

### **Example CF-TW4. Sparta-Hancock Public Facilities Authority (Georgia)**

basics: This entity was created by special act. The board consists of four appointees by the county, of which three are ex officio, and three appointees by the city, of which two are ex officio. The entity may fix and collect fees and receive city and county appropriations. Upon dissolution, the property reverts to the city or county.

issue: The entity is a joint city-county dependent because the majority of the board is ex officio, it is dependent on city and county appropriations, and the property reverts to the city or county upon dissolution. One of these criterion alone would not make a city-county entity dependent, but three are present here.

## **State Versus Local**

### **Example SL1. Morrison Creek Flood Control District (California)**

basics: The entity was created by state law for one county with no further action required on the part of the county. The entity is run by the county board of supervisors ex officio. This entity has fiscal autonomy.

issue: Despite the fact that the state unilaterally created the entity, this is a county dependent agency because of the composition of the board.

### **Example SL2. Financial advisory authorities in Illinois**

issue: Sometimes the states see a need to control the finances of local governments (including school districts). The financial advisory authorities in Illinois have power over the budgets, financial plans, and some contracts and obligations of the municipalities for which the authorities have been created. Though these authorities take over the administrative and fiscal autonomy of the municipalities, this does not affect the classification of the municipalities if the arrangement is temporary.

### **Example SL3. Massachusetts Commonwealth Zoological Corporation**

issue: Upon dissolution, the property reverts to the Metropolitan District Commission, which is state dependent. The property reverting to this commission is the same as the property reverting to the state. This entity is state dependent.

### **Example SL4. Expressway authorities in Florida**

basics: These entities are created by special acts. The boards may be appointed by the Governor or by local officials. Also, local officials may serve ex officio. The authorities receive a portion of gasoline taxes and may fix tolls and issue bonds. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: These entities have fiscal autonomy; however, the authorities have lease-purchase agreements with the state. As part of this, the state assumes a major responsibility for issuing and servicing the debt. Also, the properties of the authorities revert to the state when the debt is paid. These entities are state dependent.

#### **Example SL5. Will-Kankakee Regional Development Authority (Illinois)**

basics: This entity was created by state law. The board consists of four state and six local officials. The entity can issue bonds only with state approval. The state will cover any bonds the entity cannot repay.

issue: Funding has priority over administration in determining whether an entity is state or local. Despite the fact that the majority of the board is local, the state has fiscal control - the state approves the bond issues and will fund bond payment deficits. Thus, this authority is state dependent.

#### **Example SL6. Parish health units in Louisiana**

issue: These entities are state dependent because of the state supervision and control specified in the authorizing legislation and the state contributions of employees and finances.

#### **Example SL7. Local port authorities in West Virginia**

issue: These authorities may establish local boards of directors if a state board accepts their application. If an authority is permitted and created, it has powers only as provided by the state board of directors. Thus, these authorities are state controlled.

#### **Example SL8. County mosquito control commissions in Mississippi**

basics: The entity is created by resolution at the county level and state approval. The board is county appointees and one state official ex officio. The plans and budget are subject to state approval. The funding is through a county tax levy.

issue: The issue is whether this entity is state or locally dependent. The fact that the county provides the funding is the overriding criterion and makes this entity county dependent.

#### **Example SL9. Harris County Improvement District 1 (Texas)**

basics: The entity was created by special act. The board consists of state appointees. The funding is from fees, tax levies, and bond issues. The property reverts to the city upon dissolution. All bond issues require city approval. Some bond issues require state approval.

issue: The issue is whether this entity is state or locally dependent. The fact that all bond issues

require city approval is the overriding criterion and makes this entity city dependent. Keep in mind that local control outweighs state control.

#### **Example SL10. Storm water control districts in Texas**

basics: These districts are created by local petition to the state and referendum. The board is elected. The funding is autonomous. The property reverts to the city upon dissolution. District plans require state approval.

issue: In situations where one is determining whether an entity is state or local, one looks first at funding, then bond approvals, and then local powers. There are no funding or bond approval issues here. The fact that the county has claim to the property outweighs the fact that the state has the power to approve district plans. This entity is county dependent.

#### **Example SL11. Oklahoma Free State Fair Association**

basics: This entity was created by special act. It has a state appointed board. It has autonomous funding. The budget requires county approval.

issue: In situations where one is determining whether an entity is state or local, one looks first at funding, then bond approvals, and then local powers. There are no funding or bond approval issues here. The fact that the county has the power to approve the budget outweighs the fact that the board is state appointed. This entity is county dependent.

#### **Example SL12. County hospital boards in Florida**

basics: These entities are created locally. The board is appointed by the Governor. The board certifies the amount necessary to operate the hospital, and the county is required to levy a tax to cover it. The county may levy bonds for the hospitals in anticipation of the tax.

issue: Ordinarily, a board appointed entirely by the state means the entity is state dependent. However, fiscal considerations outweigh board composition. In this case, the county is required to fund the entities through a tax levy. So the entities are either county dependent or a special district. Because the county is required to levy a tax sufficient to cover the entity's expenses, the county-levied bonds are not a primary source of funding and not a fiscal control. The entities meet the requirement for the administrative autonomy criterion: functions differ from those of and are not subject to specification by the creating government. These entities are special districts.

#### **Example SL13. Massachusetts Parking Authority**

basics: The entity was created by special act. The board is appointed by the Governor and the mayor of Boston. The entity may issue bonds and fix and collect fees. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: Evidence of one of the common characteristics of dependent agencies shows which government has control. In this case, the law states that the property reverts to the city so the city has control. Typically, when a law contains a property reversion clause, the clause says the property reverts to the creating government upon the dissolution of the entity. In this case, the authority's property reverts to the city when all bonds have been paid or when a sufficient amount to pay the bonds has been placed in trust. This is an equivalent situation. The entity is city dependent.

#### **Example SL14. Greater Greenville Sanitation District (South Carolina)**

basics: The entity was created by special act. The board is appointed by the Governor. The entity can set fees, levy taxes, and issue bonds.

issue: Usually, an entity created by the state and with a state-appointed board is automatically a state dependent. However, in certain states, because of historical circumstances or the relationships of governments, a state-appointed board does not preclude an entity from being a local dependent or a special district. South Carolina is such a state. This entity serves a specific area, has local revenue powers, and is not subject to any controls. The entity is a special district.

#### **Example SL15. County tuberculosis sanitarium districts in Kentucky**

basics: These entities are created by county ordinance. The county appoints the board from state nominations. The state approves the facility site and plans. The state makes appropriations per statutory formula. The board may set fees. The county may levy taxes and make appropriations for the entity. This entity has fiscal autonomy from the power to set fees and the appropriations per statutory formula.

issue: The state has set limits on this entity, but these controls are not intended to make these state entities. The intent is to control the county-level decisions for the benefit of the state as a whole. The county's preferences for a site or the operation of the entity may not in the best interest of the entire state. The entity lacks administrative autonomy because of the nature of the board and the site and plan approval control. However, the state is giving ultimate control to the county by allowing it to appoint the board. Also, the entities are created by county ordinance, so the counties can decide not to create one. Also, it appears from case law that the counties often took ownership of the facilities. These entities are county dependent.

#### **Example SL16. Tombigbee Valley Authority (Mississippi)**

basics: The entity's board is appointed by the Governor - one member from each participating county and three at large. The boards of supervisors of the participating counties decide how much the appropriations will be.

issue: This is an example of funding taking precedence over the board. Ordinarily, a board appointed entirely by the Governor would be state dependent. This entity was ruled to be joint county dependent based on the funding.

## **Rulings Accommodating Classification Issues**

### **Example DP1. Entities created under the Interlocal Cooperation Act in Kentucky**

issue: Most states have an interlocal agreement act allowing local governments to create joint entities. The fiscal and administrative factors are spelled out in the agreement. The true classification would depend on the particular agreement. Unfortunately, we do not have the resources to classify each entity. To maintain a logical and consistent classification system that our data users can understand, we typically rule that these entities are special districts.

### **Example DP2. Transportation development districts in Missouri**

basics: These entities are created by petition of the voters or resolution of a local transportation authority and subsequent voter approval. The boards are elected. The districts have fiscal autonomy. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: Some of the projects conducted by these districts require approval by the state; this does not affect autonomy. Some of the projects require approval by the local transportation authority; this should affect autonomy and make these entities dependent on the local transportation authorities. However, we cannot identify which projects would require approval and cannot identify which local transportation authorities would give approval. It was decided to consider all of these districts to be special districts.

## **Data Collection Issues**

### **Example DC1. Gainesville-Alachua County Regional Airport Authority (Florida)**

basics: The entity has a multi-government board. It can fix fees and issue bonds.

issue: The entity is a special district. However, the city is required to fund deficits and may guarantee bonds. The county may fund deficits and guarantee bonds. This is a factor, not a control, and not significant enough to affect classification. However, this situation does affect data collection. If the bonds are guaranteed by the city or county, the debt should be assigned by the finance staff to the guaranteeing government.

## **Joint Exercise of Powers**

### **Example EP1. Area agencies on aging in Virginia**

issue: These agencies may be created as private nonstock corporations, units of local governments, or joint exercise of powers. Only the agencies created as joint exercise of powers are special districts. Thus, these are listed in Volume 1 as “area agencies on aging created by joint exercise of powers.”

## **Planning Organizations**

### **Example PO1. Hudson River Valley Greenway Communities Council (New York)**

basics: This entity was created by special act. Its board represents the state and ten counties. Funding is through appropriations and gifts.

issue: The issue is whether this entity is a regional planning organization or a special district. The entity's purpose is strictly planning. It has no statutory funding mechanism. It is a regional planning organization.

### **Example PO2. Regional development commissions in Minnesota**

basics: These entities are created by state law. The boards are multijurisdictional. The entities may levy taxes and borrow money.

issue: The issue is whether these entities are regional planning organizations or a special districts. The authorized purpose is strictly planning. However, the entities can levy a tax. Thus, these are not regional planning organizations, but special districts.

### **Example PO3. West Bank Corridor Improvement Commission (Louisiana)**

basics: This entity was created by state act. The board consists of the state legislators representing the area. The funding consists of local appropriations.

issue: This entity engages in more than planning. However, other entities of this type have statutory funding mechanisms. Until the statute is amended to provide for such funding, the entity is classified as a planning organization.

### **Example PO4. Mid America Port Commission and the Mid America Intermodal Port Authority District (Illinois)**

issue: Sometimes states create a planning agency (or interstate compact) and a special district to work on the same tasks. The entities have different powers and responsibilities. They technically have separate boards but may share board members. This can be very confusing, particularly because the states usually create both entities in the same act. In this case, the two entities were



created by completely separate acts. The Mid America Port Commission is an interstate compact and a planning entity with a board appointed by the governors of three states. The Mid America Intermodal Port Authority is a special district with a board consisting of state and local appointees. Some of the port authority members serve on the port commission's board. Their website does not distinguish between the two entities.

#### **Example PO5. Countywide emergency management agencies in Ohio**

basics: These entities are created by agreement between the county and municipalities and townships within the county. The board represents the county and the municipalities and townships within the county. The revenue consists of member contributions. The purpose of these entities is to plan and operate emergency services.

issue: These entities are joint county-city dependent agencies. We do not consider these to be regional organizations despite their name and board compositions because they were created for a specific purpose and operate the services. Regional organizations are those limited to general purpose planning.

### **Interstate Entities**

#### **Example IE1. Southern Interstate Nuclear Board (Florida)**

basics: This entity was created by interstate compact. Its board represents member states. Funding is from state appropriations. Its purpose is securing interstate cooperation concerning nuclear regulation.

issue: The issue is whether this entity is an interstate compact not counted by Governments Division or a special district. This entity does not have fiscal autonomy. It does not generate revenue or provide services. It is not a special district.

#### **Example IE2. Delaware River and Bay Authority**

basics: This entity was created by interstate compact. Its board represents member states. The entity may issue bonds and fix and collect fees.

issue: The issue is whether this entity is an interstate compact not counted by Governments Division or a special district. This entity does have fiscal autonomy. This entity is a special district.

## **Education**

### **Example ED1. Joint technological education districts in Arizona**

basics: These entities are created by agreement between two or more school districts with state and voter approval. The boards are usually elected. The entities have fiscal autonomy.

issue: The issue is determining whether these are educational service agencies or school districts. Educational service agencies do not operate schools. These entities have all of the powers of a school district and will operate schools. These entities are classified as school districts.

### **Example ED2. Regional education cooperatives in New Mexico**

basics: These entities are authorized by the state board of education and formed by two or more local school boards. These entities provide cooperative services to the member school districts. The board consists of representatives from the school boards. The funding consists of state appropriations.

issue: These entities have the function of an educational service agency. The funding, however, is entirely from the state. These entities are state dependent (regardless of the board composition).

## **Areas Related To Governments**

### **Example AR1. Waterway Marina Development Commission and districts (Kentucky)**

basics. The commission is a state dependent.

issue: The creating statute divides the state into 15 districts for the purpose of selecting commission members. These districts are just areas; they are not dependent agencies. Such districts are not usually mentioned in Volume 1.

### **Example AR2. Assessment districts in Louisiana**

basics: These were created in each parish by an act of legislature. They are governed by the parish assessor, ex officio. They may levy taxes.

issue: The sole power given to these districts is the power to tax. Many districts are just taxing districts. We usually list taxing districts in Volume 1 only if they might be mistaken for a dependent agency.

## **Indian Tribes**

### **Example IT1. Indian schools in Maine**

issue: Indian tribes in Maine have the same powers as municipalities, including the power to establish school committees. However, Indian tribes are not recognized by the Census Bureau as governments. We cannot find the school committees they establish to be dependent on the tribe nor on another government. The school committees were ruled to be independent.

## **Function Codes**

### **Example FC1. Florida Ports Financing Commission**

basics. The entity was created by interlocal agreement. The board represents local port authorities. The entity may issue bonds. The functions differ from those of and are not specified by the creating government (administrative autonomy).

issue: The entity is a special district. The issue is which function code is appropriate. If the entity was financing debt for private port authorities, the function code would be 41. Because the entity is financing debt for public port authorities, the entity should be coded to 87 if all of the port authorities are coded to 87 and 99 if any of the port authorities are coded to 99.

## Appendix K. Classification Issues by Type of Entity

## **Business Improvement Districts**

For business improvement districts, downtown property and business owners voluntarily set up a taxing district to provide services in addition to existing city services. Once established by the local (general purpose) government, the local government collects mandatory taxes. The business improvement district board makes all expenditure decisions. The board is dominated by property owners.

## **Cities and Counties**

City-county consolidations are classified as cities. A consolidated government is counted as one government. Entities created by a consolidated government are regional or joint only if the consolidated government and at least one other government are creating the entity.

Be sure cities are incorporated before they are added to the directory and not just a mailing place name.

Counties can exist with no government as county areas. See Massachusetts and Connecticut.

The classification of counties into various size groups is not uniform from one state to another. Many states do not classify counties by size groups. Those states that do may use different criteria, such as population or assessed valuation.

## **Civic Center Authorities**

We usually classify these under function code 89, single function, because there are a variety of possible activities. But if the legislation specifies an activity, classify under that.

## **Cooperative Ventures**

See joint entities and interstate entities.

## **Courts**

A common arrangement in some states is for the state and local governments to share the court costs. For example, the state might pay all or part of the judges' salaries. The city might pay operating costs and support personnel's wages and supplement the judges' salaries.

## **Education Service Agencies**

Education service agencies do not run schools. They operate at the state level and serve as coordinators and providers of special services for school districts and dependent school systems. They have no enrollment and are coded as school level 7.

Education service agencies that are classified as independent (for example, Texas) or joint dependent agencies of the school districts (for example, Georgia) are coded to type 5 (school districts). These are omitted from the school counts. Some education service agencies are dependent agencies of the state (for example, New Mexico) or local governments (for example, Ohio).

Coding the education service agencies that are joint dependent agencies as type 5 governments is an anomaly in our classification system. Dependents ordinarily receive identification numbers identifying them as supplements not governments.

The entities may go under a variety of names. We refer to all of these independent agencies that operate at the state level as education service agencies or ESAs.

## **Higher Education**

Colleges and universities, whether 2 year or 4 year, may be dependent or independent entities. If they are dependent, they may be state or local dependents. If they are independent, they are coded as type 5 school districts.

Higher education institutions, both dependent and independent, receive activity codes. They are the only type 5s and the only independent governments to receive activity codes.

Entities that are created by an institution of higher education are dependents of that institution. For example, police academies are often created by and, thus, dependents of colleges or universities. Note, however, that police academies receive activity code 62, police protection, not one of the education activity codes.

## **Hospitals**

When a hospital says it has been sold or converted to a private nonprofit corporation (called a 501 (c) (3) conversion after the Internal Revenue Service code governing such corporate structure changes), here are the possible situations:

- The creating government still owns it but has contracted out the management. Keep the district in the governments directory.
- The government can lease the building. The finance survey wants to collect the lease payments but not the operational costs. (Specifically, do collect county rental income, county contributions, and county debt issued for the hospital. Do not collect operating revenues or operating expenditures.) The employment survey should remove the entity from their survey. Keep the district in the governments directory.

- The government can sell the hospital but keep the district for the purpose of issuing public debt for private purposes. Keep the district.
- The government can sell the hospital but keep the district for planning purposes. Keep the district.
- The government can sell the hospital but keep the district for the purpose of operating clinics. Keep the district.
- The government can sell the hospital and dissolve the district. Disincorporate the district.

Note that a public authority can be created to issue bonds for a private hospital.

Hospitals associated with university medical schools: If the hospital serves the general public, it belongs under function code 40. If it serves only the campus, classify it under higher education (code 18).

### **Housing Authorities - Indian**

If an Indian housing authority is created by the state as a special district, we add it to the directory. If an Indian housing authority is created by the state as a dependent agency, we add it to the depag and, upon request, to the directory. If the authority is created by the federal government or is a dependent agency of the tribal government, we do not count it.

### **Institutions**

For Governments Division, institutions are physical entities. They may be organizationally under an agency or department. If listed on the dependent agency listing, the entity probably keeps it records separately. Institutions include institutions of higher education, hospitals (including mental hospitals), correctional institutions, welfare institutions (veterans' homes, nursing homes, and the like), and special schools (schools for the deaf and blind, vocational schools, and the like).

### **Interlocal Risk Management Agencies**

If these are administered by an association, the association is private and its funds and employees are excluded from our data collections. Only the contributions of the member governments would be collected by the finance survey. See rulings for Louisiana, Iowa, and Missouri.

## **Joint Dependent Agencies**

When an entity is found to be dependent on two creating governments, determine if one of the creating governments is reporting the data. If so, assign the entity to that government. If the data are not reported by the creating governments, these entities may need to be classified as special districts for data collection purposes.

## **Joint Entities and Interstate Entities**

Governments may cooperate on specific projects or activities. They may create a cooperative venture, that is, a contract that allows them to jointly work on a project without creating a separate entity to administer the project. We do not count these cooperative ventures unless we need to track the flow of funds. If so, they are listed as dependent agencies.

To illustrate a cooperative venture, one government might provide the facilities and another government might provide the employees. If the employees are paid directly by a creating government instead of the creating government paying a dependent agency and then the dependent agency paying the employees, that is a cooperative venture.

Governments may create a joint entity; for example, city-county hospitals or joint bridge authorities. We classify the various joint entities and interstate entities as special districts, joint dependent agencies, or planning organizations. The joint dependent agencies fall under two types: one government may be responsible for administration while all share the financial burden or the entity may be jointly administered. We do not count planning organizations unless they have the power to levy taxes (see the description of planning organizations later in this section).

### **Joint exercise of powers agreement or intergovernmental agreement**

The state creates authorizing legislation under which two or more local governments may create an entity. Some specifics are left up to the interlocal agreement. Classification of these entities varies, see the discussion in the chapter on classification.

### **Joint meeting agreement**

Joint meetings agreements are multiple governments (state or local) creating a joint dependent agency or interstate dependent agency. Commissioners of all districts meet annually. A committee runs day-to-day operations.

For examples, see the Massachusetts school districts that are joint meetings of towns (the school districts are joint dependent agencies of the towns) and the New Jersey joint meetings that are joint dependent agencies of municipalities.



## Interstate compacts and interstate joint authorities

There are four types of interstate compacts and interstate joint authorities:

- interstate school district governments
- interstate special district governments
- dependent agencies of one state government that also serve Canada
- joint agencies of state governments (which may be dependents or special districts)

All interstate compacts are approved by the federal government. Most are planning agencies, which coordinate and advise the creating governments. There are, however, a few special district governments created by interstate compacts (for example, the Port Authority of New York and New Jersey). The compact must have fiscal autonomy, generate revenue or run facilities, and have a single interstate agency running it to be counted as a government.

Classification as interstate is based on the headquarter's location and the flow of funds. Only those interstate compacts and interstate joint authorities creating a separate interstate agency with its own mailing address are considered interstate by Governments Division. Those that are administered by existing single-state agencies in each signatory state are not considered interstate. The assignment of employees is a separate issue.

The only interstate school district currently in existence is in New Hampshire and Vermont. Interstate school districts are authorized in Maine and possibly other states.

Laws for interstate library districts exist in most states but no entities exist. Do not list descriptions for these in Volume 1 unless a district comes into existence.

### **Library Districts**

Library districts may be created by school districts. These library districts would carry the type 5 code in the governments identification number. The employees may be part of the creating school district. These library districts would be described under other educational activities in Volume 1.

### **Pest Abatement**

Pest abatement that directly affects humans is classified under function code 32. These districts are usually called mosquito abatement, vector control, or pest abatement districts.

Pest abatement that directly affects agriculture is classified under function code 59. These are typically citrus pest control, cotton pest control, rice pest control, or stone and pome fruit pest control districts.

### **Planning Organizations and Regional Planning Organizations**

Planning organizations are defined as those that are general purpose planning bodies without operations. If the entity has operations, it may be either a special district or joint dependent agency.

Planning organizations with operations, however, are usually not counted as special districts because they usually receive most of their funds from contributions by participating governments. If, however, they have the power to levy taxes or a statutory funding mechanism, then they are special districts.

Some planning organizations award contracts because they serve as the service coordination intermediary between governments. We do not consider these entities to be conducting operations. They are not providing the service, rather they are coordinating the delivery among established providers.

Sometimes an entity is created for which there are similar types already existing in the state, however, this entity does not have a statutory funding mechanism. Consider such an entity to be a planning organization.

### **Police**

If an entity can appoint police officers but law enforcement is not one of its functions, enter a note in the annotations field (that it can hire police) for the benefit of the employment and criminal justice branches. Examples: Entities providing parks may hire park police, and universities and colleges maintain police forces.

### **Public Trusts**

Some states, such as Oklahoma and Louisiana, have public trusts. Public trusts can have many different names. A public trust entity can perform any function the parent government can perform.

### **Redevelopment Agencies**

Nationwide, we consider these to be dependents of the creating government.

## **Retirement Systems**

State codes list many state and local retirement systems. State codes may say which state office (Department of revenue and taxation, for example) is responsible for the retirement system(s). Some states have centralized retirement offices for the local retirement systems.

Retirement systems consist of trust funds, plans, and boards. There must be an identification code for each *fund*; each state fund is a dependent agency<sup>9</sup> and local funds are local dependent agencies. Usually, fire, police, and other government workers each have a separate fund and plan. However, one board may administer all three.

Pension payments that come from the general operating fund and not a trust fund are counted by the finance survey. The trust funds are collected on the F-33 survey of retirement systems.

In a court system, the judges may be under the state retirement system and the clerks and such may be under the county retirement system.

## **School - Charter**

These are a new type of school that we will probably classify by state. Some have governmental character, but others are deemed to be private.

## **School - Indian**

In most states, Indian schools are run by the United States Bureau of Indian Affairs and, thus, are activities of the federal government. In Maine, the Indian schools are classified as independent school districts.

## **School Authorities (Other Than School Building Authorities)**

Entities such as the Virginia Public School Authority or California School Finance Authority are state dependent agencies, not schools.

## **School Building Authorities**

These authorities are usually independent if they are created by the school district and dependent if they are created by the city or county. Many receive state or federal grants, but the funds are paid by the school district, city, or county.

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<sup>9</sup> Some are currently listed as subs of dependent agencies (April 1996). These will be corrected.

Indiana and Pennsylvania have many school building authorities at the elementary and secondary school level. There are isolated cases in other states (not state wide). Pennsylvania is ceasing to create these entities.

### **School Districts**

Sometimes the employment or finance staffs may report that a school district has closed or merged. You must ask the F-33 survey staff if there is still activity before making a change to the school district's status.

Confusion over whether a school district exists can arise because some school districts tuition out all of their students to a neighboring county's or municipality's school district. The school district that does this reports zero students. The local tax dollars collected for the school district are transferred to the neighboring school district. State funds for the school district go directly to the neighboring school district. If you speak to the county or municipality where the school district is located, some of the staff may not realize that there is a school district.

### **Subdistricts of Special Districts**

We do not count these as separate governments.

### **University Board of Regents and University Curators**

These are part of the university governing body.

### **Watershed Districts**

Watershed districts build, replace, or repair small dams. The primary purpose of these dams is flood control. According to the United States Department of Agriculture, they can also provide municipal water supply, wildlife habitat, water for livestock, and recreational opportunities.

The default code for watershed districts is 63, flood control.

Watershed districts are coded to 59, other natural resources, if several natural resource functions are engaged in at a substantial level (20 percent or more each).

Watershed districts that also supply water are coded under 97, natural resources and water supply, if the secondary function (the secondary function could be either water supply or all natural resources considered as a group) is at least 20 percent.

A watershed district could be also coded to any of the other natural resource codes (51, 64, 86, or 88) if flood control is less than 20 percent of its functions and only one other function is engaged in.

## Appendix L. State Characteristics Affecting Classification

## **Alabama**

The constitution of Alabama is greatly limits local rule. Most actions that local governments want to take require a constitutional amendment. A movement to rewrite the Alabama constitution is gaining momentum. Should this happen, we would need to consider how the new constitution affects our previous and future classifications.

Note that part of legislative research for Alabama is looking at its new constitutional amendments. Some of these require a state act, but some only require a local ordinance and some require no further legislative action.

## **Alaska**

Alaska has census bureau territories that are slowly becoming counties and cities.

## **Arkansas**

The chancery court was abolished, but some laws still reference it (as of 2002).

## **California**

We classify the joint exercise of powers agencies that are not nonprofits in California as special districts because of the difficulty of accounting for the flow of funds when using the dependent agency approach.

California appears to use the convention of reserving the term "joint powers" for special districts and "corporation" or "incorporated" for dependent agencies.

## **Delaware**

Delaware has unincorporated towns, similar to those in Nevada, for the purpose of issuing safety ordinances.

## **Georgia**

If the law for a state-authorized entity states that the Georgia Financing and Investment Commission must approve the bonds, this is what is happening: The Georgia assembly authorizes appropriations which include these bonds. After the authorization, the commission can sell the bonds. The commission approves each bond sale. The Governor and other state officials are part of the commission. The Governor decides if the bonds fit into the Governor's budget and then gives approval or not. The commission oversees bonds for all state created and controlled authorities. Thus, any entity that must acquire bond approval from this commission is state dependent.

## **Illinois**

We classify public building commissions in Illinois as special districts because of the difficulty of accounting for the flow of funds when using the dependent agency approach.

## **Indiana**

Municipal budgets are subject to review by the county board of tax adjustment and state board of tax commissioners. The fact that a special district's budget is subject to such review has no effect on classification.

We classify school building corporations in Indiana as special districts because of the difficulty of accounting for the flow of funds when using the dependent agency approach.

## **Kentucky**

Section 157 of the constitution of Kentucky and code 65.180 et seq discuss taxing districts. For Kentucky, if an entity is a taxing district created under these laws, it has the power to levy taxes.

## **Louisiana**

### **The State Constitution's Affect on the Classification of Special Districts**

The Louisiana Constitution of 1974, article VI, part I, section 15: "The governing authority of a local government subdivision shall have general power over any agency heretofore or hereafter created by it, including, without limitation, the power to abolish the agency and require prior approval of any charge or tax levied or bond issued by the agency." If an entity is created by state law, this does not apply. If a state law allows the parishes or municipalities to create an entity, this does apply. Parishes and municipalities may abolish, at will, any entity they create. Thus, any entity created by a parish or municipality is a dependent agency.

### **The State Constitution and Gubernatorial Appointees**

Per Article 4, section 5 I(I), "the governor may remove from office a person he appoints, except for a person appointed for a term fixed by this constitution or by law."

## Special Districts and Gubernatorial Appointees

Some special districts in Louisiana are governed by boards appointed by the Governor. They are special districts because they serve specific areas and have local revenue powers. The nature of these boards is because Louisiana law is based on Napoleonic law and the Louisiana's French and Spanish colonial tradition of powerful governors.

## Napoleonic Law

The other states have laws based on English common law. Common law is created by court law. Louisiana's law is based on civil law, specifically, the code written by Napoleon (which was based on Roman law). Precedent is important to common law; intent is more important to civil law. Louisiana does, however, keep amending its law to be more uniform with the other states.

## Parish System

The parish is the Louisiana equivalent of a county. The parish judge, justices of the peace, and the police jury (a group of 12 citizens) carry out the administrative duties of the parish at the local level. This system was modeled after a Spanish system.

## Courts in Louisiana

The courts in Louisiana are state dependent but are added to the governments directory as local dependents. This allows the surveys to collect the local contributions and local employees.

## Sheriffs in Louisiana

The Louisiana sheriffs are independent per our classification criteria, but we add them to the governments directory as dependent for data presentation purposes. We want to show their data comparable to all of the other states, that is, at the general-purpose level.

## Joint Agencies for Electric Power Generation and Transmission

We classify joint agencies for electric power generation and transmission in Louisiana as special districts because of the difficulty of accounting for the flow of funds when using the dependent agency approach.



## **Maryland**

The McKeldin Library at the University of Maryland College Park has the Maryland county charters in a special Maryland room.

Libraries incorporated prior to 1927 are exempt from current law pertaining to county libraries.

## **New Jersey**

We classify certain New Jersey authorities as special districts because of the difficulty of accounting for the flow of funds when using the dependent agency approach.

## **New York**

New York has many special acts authorizing public authorities. New York views all of these entities as independent. We classify the public authorities created by special act and representing one government as dependents and those representing multiple governments as independent. We are able to identify the single-government entities from the authorizing legislation.

## **Pennsylvania**

The majority of entities counted as special districts in Pennsylvania are the municipal authorities. These are all dependent agencies by Governments Division standards but special districts for data collection. The authorities were ruled to be special districts because the data for the joint authorities were always assigned to the one government and this was significantly distorting the tabulations. We have since learned that some special districts are included on the Pennsylvania Directory of Municipal Authorities and that we can not identify all of them. See a September 6, 2002, memorandum in the rulings folder for more information.

The primary directory source for these entities is the Pennsylvania Directory of Municipal Authorities. Debt for these entities, including inactive entities, appears on the municipal authority debt summary. These lists are found at the Department of Community and Economic Affairs website.

The Pennsylvania Directory of Municipal Authorities contains a few entities that are not municipal authorities and some for which the authorizing legislation is unclear. A memorandum for the record dated September 6, 2002, explains this.

You will find the following codes in the annotations fields in the governments directory: !municipal authority! and !not municipal authority!. Both of these codes identify entities that are on the Pennsylvania Directory of Municipal Authorities. These codes allow you to create a file with just these entities in it. Also, a !duplicate! code allows you to eliminate the duplicates from the list. You may use the duplicate code for any entity in the governments directory.

## **Maine**

Of the three tribes, two have the powers of a municipality and the other's status is pending the passage of a federal law that would allow the state law (August 1996). Indian housing authorities are authorized by state law for all three tribes. Indian school districts are authorized for the two tribes with municipal powers. There are three school districts because one of the tribes has two reservations. It is questionable whether the school districts are independent or not.

## **Missouri**

The law allows lease agreements with private companies for the construction of jails. These public facility authorities are private.

## **Nevada**

Nevada has unincorporated towns for local court and police power purposes.

## **New Mexico**

Indian pueblos (tribes) have many powers of local governments.

## **South Carolina**

Many special districts in South Carolina are governed by boards appointed by the Governor. They are special districts because they serve specific areas and have local revenue powers. The nature of the board is based on historical circumstances. Before 1975, counties were governed by the state legislative delegation for the county area. Because the counties were governed by the state legislative branch, the fact that state executive branch (the Governor) appointed the boards was a sign of independence.

There are a number of laws in South Carolina where the state legislative delegation continues to appoint the board members, technically these are state appointed, but we consider these to be locally appointed because of the county governance structure at the time the law (pre 1975) was created.

Several constitutional provisions put the status of special acts concerning school districts and special districts in doubt:

Article III section 34 prohibits the passage of special acts on certain subjects. The consensus seems to be that a special act may not be passed if it deals with one particular county. Special acts involving all or part of two or more counties would seem to be constitutional.

Article I section 8 is the separation of powers clause. Several special acts dealing with the power of a county legislative delegation to determine a school district's budget have been deemed unconstitutional.

Article X section 5 and subsequent court decisions (Crow v. McAlpine 285 S.E. 2d 355) have declared tax levies by appointed boards to be unconstitutional. This affects several school districts and special districts. The courts have further ruled that it is unconstitutional for appointed board to have their own budgetary power over funds derived from taxation. The attorney general has stated that boards consisting of both elected and appointed officials (as found in some school districts) are probably in violation of this provision as well.

Enforcement of the above provisions would seem to be on a case by case basis. Existing entities that violate these provisions have not been addressed.

## **South Dakota**

In this state, there is very little general purpose government activity. Most areas wanting to be part of an incorporated area seek annexation by an existing government.

## **Vermont**

The definitions of terms for the state code are found in title one, general provisions; chapter three, construction of statutes; subchapter two, definition of terms.

## **Virginia**

Concerning control by counties over entities they create: It is believed that counties in Virginia approve the budgets and bond issues of entities they create. This has not been confirmed. If so, this explains why water and sewer authorities, community development

authorities, parking authorities, and park authorities created by a single locality are dependent.

Concerning the levy of taxes: In Virginia, only an elected governing body may levy taxes (2002). See the Virginia Constitution, article 7, section 7, notes of decisions.

Concerning local appropriations to authorities: 15.2-1205 (2002) “The governing body of any county may give, lend, or advance in any manner that it deems proper funds or other county property, not otherwise specifically allocated or obligated, to any authority created by such governing body pursuant to law.”

Concerning joint exercise of powers: 15.2-1300A (2002) “Any power, privilege, or authority exercised or capable of exercise by any political subdivision of this Commonwealth may be exercised and enjoyed jointly with any other political subdivision of this Commonwealth having a similar power, privilege, or authority except where an express statutory procedure is otherwise provided for the joint exercise.”

Related to the assignment of county: Virginia has 21 planning districts. A list of names, addresses, and member localities may be found at the Virginia Association of Planning District Commissions’ website at <http://www.institute.virginia.edu/vapdc/vapdcs.htm> . When you add an entity with a name referencing a planning districts, consider that it may serve the entire planning district. If so, assign the identification number on that basis. In some planning districts, there are counties or cities with populations much greater than the other member localities, and this will affect the assignment of the county code. For example, the northern Virginia regional planning district includes Fairfax County with a population of nearly a million. Member cities have populations as low as 10,000. Avoid assigning an entity serving a couple million people to a city of 10,000. The agencies on aging in Virginia serve the same areas as the planning districts except some planning districts are served by more than one agency on aging.

Entities with names referencing planning districts may serve only part of the planning district or may serve some members in the planning district and some members from outside of the planning district. If one of these situations is applicable, you assign the county code accordingly.

Do not assume, however, that you are dealing with a reference to a planning district. For example, the Piedmont planning district is completely unrelated to the town of Piedmont.

## Appendix M. Property Determinations

The following will assist you in determining if an entity can have substantial investment in property and, thus, possibly qualify for the criterion “even if the governing body is appointed, the functions essentially differ from and are not subject to specification by the creating agency.”

01 air transportation

Entities under this function code meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

87 water transport and terminals

Entities under this function code meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

44 highways

Entities under this function code meet the criterion unless they are strictly maintenance and do not own property.

94 mass transit system utility

Entities under this function code meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

60 parking facilities

Entities under this function code meet the criterion unless they are strictly operation and do not own property.

09 education

School building entities meet this criterion. Ownership of property is assumed unless there is evidence to the contrary.

Student loan entities do not meet the criterion.

24 fire protection

Entities under this function code meet the criterion due to the substantial investment in equipment.

## 52 libraries

Entities under this function code meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

## 61 parks and recreation

Entities under this function code meet the criterion unless they are strictly maintenance and do not own property.

## 02 cemeteries

Entities under this function code meet the criterion unless they are strictly maintenance and do not own property as defined above (lawnmowers do not count as substantial property).

## 32 health

Entities under this function code meet the criterion if they can own property as defined above. Pest control entities are assumed to have a substantial investment in equipment unless there is evidence to the contrary.

## 40 hospitals

Entities under this function code meet the criterion unless they are strictly supervision or financing and do not own property.

## 79 public welfare institutions

Entities under this function code meet the criterion unless they are strictly supervision or financing and do not own property.

## 41 industrial development

Entities under this function code meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

## 42 mortgage credit

Entities under this function code do not meet the criterion unless they can own property.

50 housing and community development

Entities under this function code meet the criterion unless they are strictly supervision or financing and do not own property.

50, 63, 64, 86, 88, 59 All natural resources

Entities under this function code meet the criterion due to the substantial investment in equipment.

80, 81, 91, 92, 93 All utilities

Entities under this function code meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

Correctional institutions - jail authorities and districts

Entities of this type meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

Emergency 911 districts

Entities of this type meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

General public buildings

Entities of this type meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

Railroad authorities

Entities of this type meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

Tax districts

Entities of this type do not meet the criterion unless they can own property.



#### Television districts

Entities of this type meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

#### Weed control

Entities of this type meet the criterion. Ownership of property is assumed unless there is evidence to the contrary.

## Appendix N. Volume 1 Terminology

This appendix will assist you in writing descriptions for special districts in Volume 1. The following examples are basic terms, phrases, and sentences used in Volume 1 organized by category along with a few unique situations that you may need a model for. These examples will help you quickly find a standard phrase or a model. We want to keep our language and style consistent throughout Volume 1. You will need to create wording appropriate for the particular state and situation. You will encounter unique arrangements for which none of these examples may suffice.

References to states and years are sometimes provided so you can look up the entire description if you wish.

Note that the term “elected” is used in Volume 1 only if the voters elect the officials, not if the officials are elected by other officials.

The information is presented under the following categories: establishment, governing body, revenue, dependent agencies, and miscellaneous.

[x] = authority, district, commission, system, and so forth

## **Establishment**

Methods of establishment are particular to the individual state. This section does not include establishment peculiar to only certain states. Examples include standard situations and also models for handling joint powers agreements.

### **Establishment - general law and local legislation**

- [X] are established by resolution of any county and any one or more municipalities located therein.
- [X] may be organized in any county or city where the governing body has adopted a resolution declaring the need for a [x].
- A 1968 general law provides that any two or more municipalities, any two or more contiguous counties, or any combination thereof may establish a regional [X] by mutual agreement.
- [X] s to provide [functions] are created by petition of property owners and resolution of the municipal governing body after a public hearing.
- [X] for [function] may be organized by any two or more municipalities.

- [X] may be established in any city, town, or unincorporated area are having 250 or more voters.
- These [x] are created by the county board of supervisors upon petition of the landowners followed by a public hearing and referendum.
- These [x] are established by the county board of supervisors on petition of taxpayers and after referendum.
- These [x] are created by county ordinance to finance student loans.
- [State] general law provides for three types of [x] - county, municipal, or regional (two or more contiguous counties). The authorities are established by . . . .
- These [x] are established by joint agreement between two or more [governments] and approval by the [state entity].
- [X] to provide [function] may be created by [number] or more counties, cities, townships, villages, or any combination thereof by ordinance or resolution.
- These [x] are established by the governing bodies of any combination of one or more counties or municipalities.
- [State] statutes provide two methods for establishing [x]: by [method] or by [method].

#### **Establishment - special acts**

- Under general law, these [x] . . . . A few [x] have been established by special acts.
- Under general law, the [officials] may create . . . . Provisions for [x] established by special acts are . . . .
- A special act authorizes establishment of the [x], which operates under similar provisions. (This follows a description of similar entities created under general law.)
- These [x] are authorized by substantially similar special acts for the purpose of [x] and are formed by [action].
- These [x] are created by special acts to provide [x].
- A number of [x] to provide [function] or both have been created by special acts but with substantially similar provisions.

- A number of [x] have been established by special acts. Similar provisions apply to each of these districts.
- [X] have been individually established by special acts, but all are under substantially uniform provisions as to their organization and operation.
- [X] have been individually established by special acts, subject to local referendum, that provide substantially uniform provisions as to their operations and financing.
- This [x] was authorized by a 1980 special act to [function].
- The following [x] were created by special acts to [function]:

#### **Establishment - general law with special application**

- A general law with special application provides for the establishment of this [x].

#### **Establishment - state law**

- These [x] were established by an act of state legislature to [function].
- This [x] was created by 1975 legislation to provide . . . .
- [X] may be established by order of the [state entity].
- This [x], established by interstate compact, operates the [function].
- [X] may be established by the [state entity] upon a petition of residents of the designated area and after hearing and referendum.

#### **Establishment - constitutional amendment**

- This [x] was authorized by a constitutional amendment to . . . .

#### **Establishment - intergovernmental agreement or joint exercise of powers agreement**

These are titled as "agencies established under intergovernmental agreements" or "agencies established under joint exercise of powers agreements."

- (Colorado, 1997) These authorities may be established by agreement between any two or more governments for any functions that the participating governments may perform. The composition of the authority governing body is specified in the agreement establishing the authority. The revenue powers of the authority are also spelled out in that agreement.

Authorities established under this law may be known by a variety of names.

- (Florida, 1997) Local government units may agree to exercise any of their powers jointly. Such an agreement may establish a separate agency that may or may not be counted as a government for census purposes, according to the degree of autonomy given it and the method of selecting its governing body. The functions to be performed by such an agency are specified in the agreement. The X and X, created under this law, are counted as special district governments for census reporting.
- (Michigan, 1997) Two or more governments (county, city, village, township, school district, or special district) may exercise jointly any power common to them. Whenever such an agreement establishes an agency that is separate from the creating governments, the agreement specifies the functions to be performed, the method of selecting members of the agency governing body, and the method of allocating the share of the agency budget to each participating government. Agencies formed under this law may fix charges and borrow money but may not levy taxes.
- (California, 1997) Two or more local governments (county, municipal, or special district) may exercise jointly any power common to them. Federal and state governments also may participate in such agreements. When a joint exercise of powers agreement provides for the creation of an agency that is separate from the participating governments, a notice of the agreement must be filed with the secretary of state.

Agencies established under joint exercise of powers agreements are known by a wide variety of names. The functions performed by and the powers granted to these agencies are spelled out in the agreements establishing the agency. Agencies established under joint exercise of powers agreements may receive contributions from participating governments and, if the agreement so provides, fix charges and issue revenue bonds.

## **Governing Body**

We try to define the board as specifically as possible, but sometimes the explanation is too long or complicated or varies with the exact local ordinance or special act. The following examples will assist in handling awkward situations.

### **Governing body - varies with ordinance, agreement, or special act**

- The number and appointment of board members, of whom there must be at least five but no more than nine, are determined in the initiating resolution.
- The board consists of one or more representatives of each county or municipality served in accordance with the articles of incorporation.

- The number of board members and their method of selection are specified in the intergovernmental agreement.
- The composition of the governing body is specified in the agreement establishing the authority.
- The composition of the appointed board of directors is specified in the establishing ordinance.
- The [x] are governed as specified in their articles of incorporation.
- The [x] are governed by boards appointed by the officials of the establishing governments and, in a few cases, also have one or more local officials serving ex officio.
- The governing body is a board of trustees, appointed by local officials or elected at large, in accordance with the special legislation applying to a particular authority.
- A board of directors, elected by the voters or appointed by the county supervisors, governs each [x].
- The [x] directors may be elected or may be appointed by the mayors or county supervisors.
- Governing bodies of these [x] may be elected, appointed by local officials, or appointed by the Governor.
- Each [x] is governed by a board consisting of members selected by the Governor or by county or city officials plus, in some cases, county or city officials serving in an ex officio capacity.
- The [x] are governed by boards that can consist of local officials, members elected by property owners, or any combination of the two as specified in the authorizing [local] legislation.
- The [x] are governed by boards appointed by benefitted local governments.
- . . . administration is either an elected board of supervisors or an elected board of directors depending on the particular statute under which the [x] was established.
- Each [x] is governed by a board of commissioners appointed by the Governor or by local officials, according to the provisions of the specific authorizing legislation.

- The [x] in most instances are governed by an elected board, although a few have locally appointed boards.

#### **Governing body - multiple participating local governments**

- A board of directors appointed by the governing bodies of the counties, cities, and towns that are members of the [x] governs this entity.
- The boards consist of appointed representatives of the county and municipal governments within the area served.
- The 13-member board consists of appointees from the participating cities and Monterey County.
- Its board consists of members of the governing bodies of the California and Nevada counties and cities in the district, plus the directors of the state departments of transportation of California and Nevada.
- A board of 25 commissioners governs the district; eight are appointed by the Governor and 17 are appointed by the governing bodies of the cities and towns within the district as specified by statute.

#### **Governing body - multiple governments have varying numbers of board members**

- Each participating municipality selects at least one representative for the board of directors, with additional members determined by population apportionment.
- Each [x] is governed by a regional board composed of one or more supervisors from each county and one or more city selection committee members from each county.

#### **Governing body - governor appoints from local nominees**

- A board of directors, appointed by the Governor from a list of nominees submitted by the various local governments in the area, governs the [x].

#### **Governing body - part elected and part appointed or ex officio**

- A board of five supervisors governs each [x]; three are elected and two are appointed by the [state official].
- The [x] are governed by a [committee] and an elected clerk and treasurer.



### **Governing body - appointment of additional member by board**

- . . . are administered by board of directors appointed by the establishing governments, who in turn appoint an additional member.
- . . . are governed by a board composed of the sheriff of each county, one member appointed by each member county, and one member appointed by the aforementioned appointees.

### **Governing body - appointing government changes for succeeding appointments**

- A board of directors governs the [x]; the directors are initially appointed by the county court, but are thereafter appointed by the government they represent.
- Each board consists of five members who are initially appointed by the county or municipality; thereafter, the board members fill vacancies.
- A board of directors, initially appointed by the [officials] but thereafter elected, governs the [x].
- The three-member board of trustees is initially selected from . . . but may thereafter be elected or appointed.

## **Revenue**

List all revenue powers and taxes levied or bonds issued by the creating/controlling governments. State if the revenue powers require voter approval.

### **Revenue - basic**

Standard types of revenue powers include:

- issue bonds
- levy special assessments
- fix and collect fees, rents, tolls, or fares (Note that charges, rates, tolls, and fares are all forms of fees. You can usually confine the description to fees and rents, as appropriate. If discussing transportation entities, however, you would want to use tolls or fares as appropriate.)
- levy property taxes

- require contributions from benefitted landowners

Examples of less common types of funding:

- . . . may receive the proceeds of tax levies imposed by the creating counties.
- . . . may certify the amounts to be contributed by participating governments.
- . . . may certify the amount of ad valorem taxes to be raised for its purposes.
- . . . may impose fees and charges in connection with its loans.
- . . . receives revenue from the sale or lease of properties.
- . . . may issue bonds in such amounts as are authorized by the legislature.
- ... receives revenue from a special county ad valorem tax.
- . . . may receive payments from a special state fund into which specified proceeds from [x] are paid.
- . . . receive revenue for services under contract.
- . . . enter into cost sharing agreements with participating governments.
- The sponsoring government may levy taxes and issue bonds to provide funds for agency purposes.
- Bonds for [x] purposes are issued by the city or town governments.
- Bond issues for these [x] are made jointly or separately by the participating county or city governments and are obligations of those governments.
- Funds are made available to the [x] from state appropriations that are matched by the county.
- [X] located in counties without township governments receive a portion of the [x] tax.

### **Revenue - apportioning costs**

- . . . may receive appropriations from participating governments on a pro rata basis.

- The amount of ad valorem taxes levied in each county is determined on the basis of benefits received by each county from the [x].
- The participating municipalities make proportionate contributions to the [x] budget.
- The [x] apportions costs to the participating towns, which levy taxes to meet their proportionate share.
- Member municipalities may appropriate funds for the facility and issue bonds on its behalf. The amount of funds to be appropriated by and the bonds to be issued by each participating municipality are specified in the agreement.
- . . . may specify the amounts to be assessed participating cities and towns.

#### **Revenue - debt limits**

- Indebtedness in excess of statutory limits must be approved by the voters.
- Voter approval of the level of debt authorization may be required as the result of voter petition.

#### **Revenue - state-issued bonds**

- The [state official], at the request of the agency, may issue revenue bonds on behalf of the agency.

### **Dependent Agencies**

#### **Dependent agencies - references to**

All should be followed by: See "Subordinate Agencies and Areas," below.

- Some individual [x] created under special act may be classified as subordinate agencies.
- Some [x] may be classified as subordinate agencies based on the provisions of the authorizing legislation.
- [X] that lack the autonomy to be classified as independent governments are classified as dependent agencies of the county or municipality they serve.

- Similar agencies in other localities are not counted as governments. (For situations where one entity of this type is a special district and the rest are dependents.)
- [X] governed by the [officials], ex officio, are not counted as separate governments.
- [X] created under this act are not counted as separate governments if . . . .
- As an alternative, cities may exercise the powers of an [x]. In cities exercising this option, the [x] is not counted as a separate government.
- [X] in unincorporated areas are governed by the [officials] and are not counted as separate governments.
- Authorities of this type that serve a single city or town are not counted as separate governments.
- Since [year], any new [x] created under general law are governed by the [officials] ex officio and are not counted as separate governments.
- These [x] are distinct from the [x] authorized in [year] and [year]. [X] under the [year] and [year] laws are not counted as separate governments.
- [X] established under a [year] general law are not counted as separate governments.

#### **Dependent agencies - local improvement districts**

- Local improvement districts may be created within a [parent special district] as dependent activities of the parent [parent special district]. They are not created as separate governments.
- Local improvement districts created by [parent special districts] have no separate governmental structure and are not counted as separate governments.

#### **Miscellaneous**

##### **Additional types of entities - quick references to**

- [X] operates under similar provisions.
- Similar provisions apply to [x].
- A special act authorizes establishment of the [x], which operates under similar provisions. (This follows a description of a similar type of entity created under general law.)

### **Board and powers per authorizing legislation**

- (Georgia, 1997) These districts may be created by the Georgia legislature through the enactment of local legislation. They may provide such services as . . . as specified in the local legislation. They are governed by boards that may consist of . . . as specified in the authorizing legislation. Districts may levy . . . as specified in the authorizing legislation and may issue general obligation and/or revenue bonds.
- (Louisiana, 1997) Joint electric power generation and transmission facilities serving two or more municipalities are established by agreement among participating municipalities upon passage of an ordinance by each participating municipality ratifying the agreement. The composition of the governing body is specified in the agreement establishing the facility. Member municipalities may appropriate funds for the facility and issue bonds on its behalf. The amount of funds to be appropriated by and the bonds to be issued by each participating municipality are specified in the agreement.

### **Classification change**

- [X], previously classified as a state agency, was reclassified as a special district for the 2002 Census of Governments.

### **Cross reference - another state**

- This authority is counted under "[state] - Special District Governments."

### **Function - multiple purposes**

- [X] may be formed for any or all of the following purposes: . . . .

### **Functions - vary per provisions**

- The functions performed by [x] of this type vary according to the provisions of the specific authorizing legislation; examples . . .

### **Name change**

- This [x] is now listed under the heading . . . .

### **Names - additional**

- A few [x] organized under this law are named . . . .

- Some [x] of this type are named . . . .

### **Not in operation**

- No governments of this type were created as of [date].
- This [x] was not created as of [date].
- This [x] was not reported in operation as of [month] [year]. Although authorizing legislation for this [x] was never repealed, the [x] has never been reported in operation.
- No [x] of this type were reported in operation as of [month] [year].

### **Terminations**

- This [x] transferred facility ownership to [name of entity] and became inactive in 1997.
- This [x] was terminated in 1993, and its functions were assumed by the county.

### **Repeals**

- Authorizing legislation for the [x] was repealed in [year].
- This [x] was abolished on [month] [day], [year].
- Authorizing legislation for these [x] was repealed. There were no [x] still operating under this law as of [month] [year].
- [X] formed under former laws repealed in [year] may continue to operate under provisions of this [year] law.
- The [year] law has been repealed, but existing [x] may continue to operate under its provisions or reorganize under the [year] law. (The second [year] is the new law. )
- The [year] legislation authorizing [x] repealed the former [y] laws and provided that all [y] reorganize under this law.
- Since 1975, [x] may no longer be established. Districts in existence at the time may continue to operate.

## Appendix O. Exporting to Microsoft Access

A database view of the Governments Integrated Directory may be exported from Oracle to Microsoft Access:

1. Click <file> and then click <save grid to an ASCII text file>.
2. Save the file to the desired drive and folder adding <.txt> to the file name.
3. Open Microsoft Access.
4. Select <open an existing file> and then <more files>.
5. Click <ok>.
6. Find your file, highlight it, and click <open>.
7. When the wizard comes up, select <delimited>.
8. Click <next>.
9. Select <comma> for the delimiter.
10. Check <first row contains field names>.
11. Select <"> for the text qualifier.
12. Click <next>.
13. Click <advanced>.
14. Convert all data types of <long integer> to <text>: Click each field containing <long integer> and an arrow will appear. Click the arrow and a pull-down menu will appear. Click <text>.
15. Do this step only if you have difficulty with fields containing commas not parsing correctly: Select <skip> for the annotations, legal citations, and rulings fields because the commas will be read as delimiters.
16. Click <ok>.
17. Click <finish>.



## Appendix P. Validation Criteria

The validation criteria are enforced by the software for all new entities and all changes to existing entities. Some older records created in other software may fail the validation criteria.

#### Identification Code - State

Valid numbers range from 01 through 51.

#### Identification Code - Type

Valid numbers are 0, 1, 2, 3, 4, and 5. Except, type code 4 (special districts) is invalid for the F-33 survey.

If the type code is 0 (state or state dependent), then the county code and the unit code must be 000. In other words, if the entity is a state or state dependent, the county and unit codes are not used. Dependent agencies of the state use the supp code and sub code.

For all new type 0 (state and state dependent) and type 1 (county and county dependent) records, the supp code must not be 000. New states and counties would fail this criterion; the database administrator will add any new states or counties. Both new states and counties are rare.

If the type code is 1, 2, 3, 4, or 5, the county code must not be 000 and the unit code must not be 000.

The program validates the type code for the state:

If the state code is 07 (Connecticut), 09 (District of Columbia), or 40 (Rhode Island), the type code cannot be 1 because these states and state equivalent do not have counties.

A type code of 3 (towns or townships) is only allowed for the states with towns or townships, specifically, state codes 07 (Connecticut), 14 (Illinois), 15 (Indiana), 17 (Kansas), 20 (Maine), 22 (Massachusetts), 23 (Michigan), 24 (Minnesota), 26 (Missouri), 28 (Nebraska), 30 (New Hampshire), 31 (New Jersey), 33 (New York), 35 (North Dakota), 36 (Ohio), 39 (Pennsylvania), 40 (Rhode Island), 42 (South Dakota), 46 (Vermont), or 50 (Wisconsin).

See the table "Valid Entries for Type Code and County Code for Each State," at the end of this appendix.

## Identification Code - County

The characters must be numeric.

If the type code is 0 (state or state dependent), then the county code must be 000.

If the type code is 1, 2, 3, 4, or 5, the county code must not be 000.

If the type code is 1 and the state code is 47 (Virginia), the highest county code is 100. The independent cities (type 2) all have county codes greater than 100. County dependent agencies must have a county code of no greater than 100.

The program validates the county code for the state. See the table “Valid Entries for Type Code and County Code for Each State,” at the end of this appendix.

## Identification Code - Unit

The characters must be numeric.

If the type code is 0 (state or state dependent), then the unit code must be 000.

If the type code is 1, 2, 3, 4, or 5, the unit code must not be 000.

## Identification Code - Supp (Supplement)

The characters must be numeric.

If the supp code is 000, the sub name must be blank. Sub names are only for subsidiaries. Subsidiaries are branches of the supplements. Therefore, for subsidiaries, the supp code is not 000.

For all new type 0 (state and state dependent) and type 1 (county and county dependent) records, the supp code must not be 000. New states and counties would fail this criterion; the database administrator will add any new states or counties. Both new states and counties are rare.

For local units, if the supp code is 100 through 199 (retirement systems and other insurance trust funds), the activity code must be 23 or X1.

For local units, if the supp code is 300 through 399 (dependent public school systems), the activity code must be 12, 18, or 21.

If the supp code is 600 through 699 (Medical Expenditures Panel Survey), the activity code must be 00.

If the state code is 09 (District of Columbia) and the type code is 2, the supp code must be greater than 000. This assures that only dependent agencies can be added at the city level for the District of Columbia.

#### Identification Code - Sub (Subsidiary)

The characters must be numeric.

The supp code must not be 000. Subsidiaries are dependents of supplements.

If the sub code is not 00 (thus, the entity is a subsidiary), the sub name field must be completed. If the sub code is 00 (thus, the entity is not a subsidiary), the sub name must be blank. Sub names are only for subsidiaries.

If the sub code is not 00 (the entity is a subsidiary), the activity code field must be completed with one of these entries: 00, 12, 18, 21, X1, Y1. Activity code 00 is required for subsidiary entities that are unique to the Medical Expenditures Panel Survey, all of which have sub codes between 60 and 69. Activity code 00 is not valid for other entities. Y1 is valid only for state dependents.

#### Name

The characters may be alpha or numeric. The name field is mandatory; it cannot be blank.

#### Sub Name (Subsidiary Name)

The characters may be alpha or numeric.

If the supp code is 000, the sub name must be blank. Sub names are only for subsidiaries. Subsidiaries are branches of the supplements. Therefore, for subsidiaries, the supp code is not 000.

If the sub code is not 00 (thus, the entity is a subsidiary), the sub name field must be completed. If the sub code is 00 (thus, the entity is not a subsidiary), the sub name must be blank. Sub names are only for subsidiaries. There are records in the database that fail this validation check.

#### Political Description

Entries in the political description field are allowed only where the type code is 1 (county), 2 (municipality), or 3 (town or township) and the supp code is 000 and the sub code is 00. That is, the political description is valid only for counties, municipalities and

towns or townships. It is not valid for states, dependent agencies, special districts, or school districts.

The program validates that the entry in the political description field is appropriate for the type code. See the table “Valid Entries for Political Description by State and Type” later in this appendix.

#### Area Code, Telephone, Extension, FAX Area Code, and FAX

The characters must be numeric. The fields may be blank.

#### Email

The characters may be alpha or numeric. The characters may be mixed case. The field may be blank.

#### Pub Name (Publication Name)

The characters may be alpha or numeric. The field may be blank.

#### Web Address

The characters may be alpha or numeric. Entries must begin with http://. The field may be blank.

#### Title

The characters may be alpha or numeric. The field may be blank.

#### Address 1

The characters may be alpha or numeric. The field may be blank.

#### Address 2

The characters may be alpha or numeric. The field may be blank.

#### City

The characters must be alpha. The field must be completed in the master list tables except it may be blank for census county records. These records are all disincorporated and have no address information.

## State

This field is required for all type codes 1, (counties), 2 (municipalities), 3 (towns or townships), 4 (special districts), and 5 (school districts) with a supp code of 000. The field must be a valid postal abbreviation.

## Zip

The characters must be numeric.

## Zip4

The characters must be numeric. The field may be blank.

## Flag

The only valid entry is "X." The field may be blank.

## FYE (Fiscal Year Ending)

The first two digits must be in the range of 01 through 12. The last two digits must be in the range of 01 through 31. The field may be blank.

## FIPS\_Place (Federal Information Processing Standards Place)

The characters must be numeric. This field for the type 1 (county) records are not place codes but the FIPS county code preceded by '99.'

This field is valid only if the type code is 1 (counties), 2 (municipalities) or 3 (towns or townships) and the supp code is 000 and the sub code is 00. Otherwise, the field is blank. That is, the field is only valid for counties, municipalities, and towns or townships, not states, dependent agencies, special districts, or school districts.

## Year-Source-Action

There are no validation checks for year.

## Annotations

The characters may be alpha or numeric. The field may be blank. There are no validation checks.

## Rulings

The characters may be alpha or numeric. The field may be blank. There are no validation checks.

## Leg\_Citation (Legal Citation)

The characters may be alpha or numeric. The field may be blank. There are no validation checks.

## Record Creation Date

There are no validation checks. The Government Processing System controls this field.

## Incorporation Date

The date may be entered in any format and it will be converted to mm/dd/yyyy format. The incorporation date must be on or before the disincorporation date.

The incorporation date is required for all additions to the master list. The field may be blank for existing entities.

## Disincorporation Date

The date may be entered in any format and it will be converted to mm/dd/yyyy format. The field may be blank.

## Population

The characters must be numeric. Negative numbers are invalid.

The population and population year fields are paired so an entry in one requires an entry in the other.

## Population Year

The characters must be numeric.

The population and population year fields are paired so an entry in one requires an entry in the other.

## Activity Codes

Valid entries = 00, 01, 05, 12, 18, 21, 23, 24, 25, 29, 31, 32, 36, 44, 50, 52, 59, 60, 61, 62, 77, 79, 80, 81, 87, 89, 90, 91, 92, 93, 94, 98, 99, X1, Y1.

Activity code Y1 is valid only for state supplements and subsidiaries. (That is, the type code is 0 and the supp code is not 000.)

Activity code 00 is valid only where the supp code is 601 through 699 or the sub code is 60 through 69.

The field must be completed if the type code is not 0 and the supp code is not 000 (local dependents).

If the type code is 5 and the school level code is 04 (higher education), then the activity code must be 18 or 21.

If the type code is not 0 and the supp code is 100 through 199 (retirement systems and other insurance trust funds), the activity code must be 23 or X1.

If the type code is not 0 and the supp code is 300 through 399 (dependent public school systems), the activity code must be 12, 18, or 21.

If the supp code is 600 through 699 or the sub code is 60 through 69 (Medical Expenditures Panel Survey), the activity code must be 00.

If the sub code is not 00 (the entity is a subsidiary), the activity code field must be completed with one of these entries: 00, 12, 18, 21, X1, Y1.

## Function Codes

Valid entries = 01, 02, 09, 24, 32, 40, 41, 42, 44, 50, 51, 52, 59, 60, 61, 63, 64, 79, 80, 81, 86, 87, 88, 89, 91, 92, 93, 94, 96, 97, 98, 99.

If the type code is 4 (special district) and the supp code is 000 (that is, the entity is not a supplement of a special district), the field must be completed. Otherwise, the field must be blank.

## EIN (Employer Identification Number)

This information will not be collected.



State\_ID\_from\_in\_house (State Identification Number From In-House)

The characters must be numeric.

The field may be completed if the type code is 5 (school district) or the activity code is 12 (elementary and secondary education), 18 (other higher education), or 21 (other education). Otherwise, the field must be blank.

State\_ID\_from\_ccd\_non\_fis (State Identification Number for the CCD Nonfiscal Survey)

The characters must be numeric.

The field may be completed if the type code is 5 (school district) or the activity code is 12 (elementary and secondary education), 18 (other higher education), or 21 (other education). Otherwise, the field must be blank.

NCES (National Center for Education Statistics)

The characters must be numeric.

The field may be completed if the type code is 5 (school district) or the activity code is 12 (elementary and secondary education), 18 (other higher education), or 21 (other education). Otherwise, the field must be blank.

Enrollment

The characters must be numeric. Negative numbers are invalid.

The field may be completed if one of the following criteria is met:

- the type code is 5 (school district)
- the activity code is 12 (elementary and secondary education), 18 (other higher education), or 21 (other education)
- the type code is 4 (special district) and the function code is 40 (hospitals)

Otherwise, the field must be blank.

If the type code is 5 (school district) and the school level is 06 or 07, the enrollment must be 0. Some older units fail this check.

## Enrollment Year

The characters must be numeric.

The field may be completed if the type code is 5 (school district) or the activity code is 12 (elementary and secondary education), 18 (other higher education), or 21 (other education). Otherwise, the field must be blank.

## School\_Lvl (School Level)

Valid entries: 01, 02, 03, 04, 05, 06, 07.

The field is required if one of the following criteria is met:

- the type code is 5 (school district) and the supp code is 000
- the activity code is 12 (elementary and secondary education) or 21 (other education) and the supp code is 000
- the type code is 1 (county), 2 (municipality), or 2 (town or township), and the supplement code ranges from 300 through 399 (dependent school systems)

Otherwise, the field must be blank.

The school level code 04 is allowed but not required for activity code 18 (higher education). This may be modified to be required.

Only the school level code 04 can be added to the finance survey.

For the school level 06, the enrollment field must be 0.

For the school level 07, the type code must be 5 (school district), the supp code must be 000 and the sub code must be 00. The enrollment field also must be 0.

If the state code is 02 (Alaska) or 21 (Maryland) and the type code is 5, the school level code must be 07.

The school level code must be null if the supp code is between 100 and 199.

## Mail

There are no validation checks.

## Weight

The characters must be numeric. This is the reciprocal weight, that is, a weight of .02 in this field is the same as 50 in the national weight field.

## Nat'l Weight (National Weight)

The characters must be numeric.

## E-15

There are no validation checks.

## Form

There are no validation checks.

## Valid Entries for Political Description by State and Type

<u>Political Description</u>	<u>Legal for State-Type</u>
Borough	02-1 07-2 31-2 39-2
Census county	05-1 19-1 06-1 22-1 07-1 27-1 10-1 33-1 11-1 39-1 12-1 40-1 15-1 43-1 18-1
Census division	02-1
Census parish	19-1
Charter township	23-3
City	type 2 in all states except 12

City and borough	02-2	
City and county	05-2	
	06-2	
	12-2	
	27-2	
City-parish	19-2	
Civil township	15-3	
Consolidated government	11-2	
	19-2	
Corporation	21-2	
County	type 1 in all states except 02, 07, 09, and 40	
Metropolitan government	43-2	
Municipality	02-2	
	39-2	
Parish	19-1	
Plantation	20-3	
Town	01-2	30-3
	03-2	31-2
	04-2	32-2
	05-2	33-3
	06-2	34-2
	07-3	37-2
	08-2	38-2
	10-2	39-2
	11-2	40-3
	14-2	41-2
	15-2	42-2
	16-2	43-2
	19-2	44-2
	20-3	45-2
	21-2	46-3
	22-3	47-2
	24-3	48-2

	25-2	49-2
	26-2	50-3
	27-2	51-2
Township	14-3	28-3
	15-3	31-3
	17-3	35-3
	20-3	36-3
	23-3	39-3
	24-3	42-3
	26-3	
Unified government	11-2	
	17-2	
Urban county government	18-2	
Village	03-2	31-2
	08-2	32-2
	10-2	33-2
	14-2	34-2
	19-2	36-2
	21-2	44-2
	23-2	46-2
	25-2	49-2
	26-2	50-2
	28-2	

### **Valid Entries for Type Code and County Code by State**

<u>STATE</u>	<u>TYPE</u>	<u>HIGHEST COUNTY CODE</u>	<u>NOTES</u>
01	0,1,2,4,5	067	
02	0,1,2,4,5	027	Type 5 must have sch_lvl code 07
03	0,1,2,4,5	015	
04	0,1,2,4,5	075	
05	0,1,2,4,5	058	
06	0,1,2,4,5	064	
07	0,2,3,4,5	008	
08	0,1,2,4,5	003	
09	2,4	001	For new type 2, supp code must be >000
10	0,1,2,4,5	067	
11	0,1,2,4,5	159	

12	0,1,2,4	005
13	0,1,2,4,5	044
14	0,1,2,3,4,5	102
15	0,1,2,3,4,5	092
16	0,1,2,4,5	099
17	0,1,2,3,4,5	105
18	0,1,2,4,5	120
19	0,1,2,4,5	064
20	0,1,2,3,4,5	016
21	0,1,2,4,5	024
22	0,1,2,3,4,5	014
23	0,1,2,3,4,5	083
24	0,1,2,3,4,5	087
25	0,1,2,4,5	082
26	0,1,2,3,4,5	115
27	0,1,2,4,5	056
28	0,1,2,3,4,5	093
29	0,1,2,4,5	017
30	0,1,2,3,4,5	010
31	0,1,2,3,4,5	021
32	0,1,2,4,5	032
33	0,1,2,3,4,5	062
34	0,1,2,4	100
35	0,1,2,3,4,5	053
36	0,1,2,3,4,5	088
37	0,1,2,4,5	077
38	0,1,2,4,5	036
39	0,1,2,3,4,5	067
40	0,2,3,4,5	005
41	0,1,2,4,5	046
42	0,1,2,3,4,5	068
43	0,1,2,4,5	095
44	0,1,2,4,5	254
45	0,1,2,4,5	029
46	0,1,2,3,4,5	014
47	0,1,2,4,5	142
48	0,1,2,4,5	039
49	0,1,2,4,5	055
50	0,1,2,3,4,5	072
51	0,1,2,4,5	023

Type 5 must have sch\_lvl code 07

Highest county code for type 1 = 100

## Appendix Q. State Abbreviations and (Governments Directory) Codes

Alabama	AL	01
Alaska	AK	02
Arizona	AZ	03
Arkansas	AR	04
California	CA	05
Colorado	CO	06
Connecticut	CT	07
Delaware	DE	08
District of Columbia	DC	09
Florida	FL	10
Georgia	GA	11
Hawaii	HI	12
Idaho	ID	13
Illinois	IL	14
Indiana	IN	15
Iowa	IA	16
Kansas	KS	17
Kentucky	KY	18
Louisiana	LA	19
Maine	ME	20
Maryland	MD	21
Massachusetts	MA	22
Michigan	MI	23
Minnesota	MN	24
Mississippi	MS	25

Missouri	MO	26
Montana	MT	27
Nebraska	NE	28
Nevada	NV	29
New Hampshire	NH	30
New Jersey	NJ	31
New Mexico	NM	32
New York	NY	33
North Carolina	NC	34
North Dakota	ND	35
Ohio	OH	36
Oklahoma	OK	37
Oregon	OR	38
Pennsylvania	PA	39
Rhode Island	RI	40
South Carolina	SC	41
South Dakota	SD	42
Tennessee	TN	43
Texas	TX	44
Utah	UT	45
Vermont	VT	46
Virginia	VA	47
Washington	WA	48
West Virginia	WV	49
Wisconsin	WI	50
Wyoming	WY	51



## Appendix R. Postal Service Addressing Standards

The following are the basic postal addressing standards.

#### Preferences

- All uppercase
- No punctuation in words
- City names and company names spelled out
- No courtesy titles

#### Basic format

GID field	basic street	basic po box	po box and street	rural route	private box
title	TITLE NAME			MSC NN	
name	ENTITY	ENTITY	ENTITY	ENTITY	ENTITY
address 1	STREET STE	PO BOX	STREET	RR N BOX NN	PMB NN
address 2			PO BOX		STREET
city, state, and zip	CITY STATE ZIP	CITY STATE ZIP	CITY STATE ZIP	CITY STATE ZIP	CITY STATE ZIP

#### Apartments, floors, and so forth

Put apartment, floor, and so forth after the street address on the same line. If there is not enough room, place it on the line above. Do not use the # sign. Use apt, bldg, fl, ste, unit, rm, or dept for abbreviations, but you may write these out.

#### PO box

PO BOX NN    Example: PO BOX 11890

Change caller, firm caller, bin, lockbox, and drawer to PO BOX.

If you have a street address and a post office box, the street address goes on the line above the post office box line. (Same for HC below.)

#### Rural routes

Rural route addresses: RR N BOX NN.    Ex: RR 9 BOX 23A.

Change route, RT, RFD, and RD to RR.

Highway contract route addresses: HC N BOX NN.    Ex. HC 68 BOX 23A

Change star route to HC.

## Private mail stops and boxes

Mail stops within private companies: Use MSC NN on the line above the entity's name.

Private mailbox rentals: PMB NN.

If there also is a street address, the PMB NN appears on the line above it or follows it on the same line. (Note: This is the opposite of how PO BOX is handled because this is the address of the rental service.)

# Appendix S. Action and Source Codes

## Source Codes

AES Annual employment survey

The annual employment survey provides estimates of state and local government employment and payroll.

AFS Annual finance survey

The annual finance survey provides estimates of state and local government financial activity.

CCS Central collection source state

For some states, the finance and employment staffs collect the data from a central state source rather than mailing surveys to individual entities. This arrangement may apply to some or all units in a state.

G-24 G-24 survey

The GID administrators mail the G-24 survey to county clerks or appropriate state officials the year before a census of governments. It requests the respondents review and update the list of special district governments for their counties. These data are used to update the list of special districts in the master list.

CDS Census of governments directory survey

The autumn before the census year, the census of governments directory survey is mailed to all local governments. The survey mainly asks organization questions but usually has some finance or employment questions. The data are used to update the master list and help produce Volume 1.

LRS Legislative research

The objectives of legislative research are: to maintain the state descriptions in Volume 1 and to maintain the GID. These objectives are accomplished through the identification of new legislation creating or repealing governments or revising existing legislation.

MSC Miscellaneous source

This source code is used for sources that do not fit under the other codes. It might be used for a survey that does not appear as one of the GID sources or for a duplicate that is being disincorporated.

NAT and STS National and state sources

In the year before each census of governments, the GID administrators search for additions or changes to the special districts in the master list by reviewing national and state listings of special districts.

RUL Classification rulings

Classification rulings are based on the standards of government classification as contained in the definition of a government. Classification rulings are the formal approval and documentation of major decisions affecting the master list. Rulings have precedence over the other sources. The ruling itself will reference its sources.

WEB Internet

The Internet is a source for much information: new entities, addresses, and more.

## **Action Codes**

ADR Address change

Update of any of the following fields: address 1, address 2, city, state, zip, or zip4.

DIS Disincorporation

Removal of an entity from the master list.

INC Incorporation

Addition of an entity to the master list.

MRG Merge

Combination of two or more entities into one entity.

NAM Name change

Update of the name or subsidiary name field.

RCL Reclassification

Issuance of a classification ruling reversing an earlier ruling.

## Appendix T. Special Districts Functions - Plausible Combinations

<b>Special District Functions - Plausible Combinations</b>											
FC*	Additional functions and activities the special district could perform										
01	24	32	41	44	59	60	62				
02	44	51									
09	52										
24	32	91									
32	24	40	79								
40	32	79									
41	01	40	42	44	60	80	87	91	92	93	94
42	50										
44	51	60	61								
50	24	32	42	44	61	80	81	91	92	93	
51	59	63	64	86	88						
52	none										
59	51	61	63	64	80	86	88				
60	44										
61	24	44	59	60	62	81					
63	51	59	64	86	88						
64	51	59	63	86	88	91					
79	32	40	50								
80	51	59	81	86	91						
81	59	80									
86	51	59	63	64	81	88					
87	01	24	41	44	59	60	62				
88	51	59	61	63	64	86					
91	24	59	63	64	80						
92	none										
93	none										
94	60	62									

\*This is the function code assigned to the special district in the governments directory.